

Housing, Wealth and Inheritance:
A Theoretical and Empirical Exploration

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In loving memory of my daughter
Brigitte

ABSTRACT

This thesis is concerned with broadening the existing debates around issues of housing wealth and inheritance. Currently these debates, which have largely been a British concern, focus on the impact of housing wealth inheritance on changing patterns of wealth distribution and social stratification. In this thesis a comparative dimension to the debate is developed, through the examination of issues relating to housing wealth and inheritance in New Zealand. This extension is intended to gauge the wider relevance of the debate and move it on from its somewhat anglocentric focus. Drawing on an array of empirical New Zealand material the stratification theme is addressed. It is argued that while clearly housing wealth is a key component of inheritance in a country like New Zealand which exhibits a mature home ownership sector, the claim that financial gains from housing wealth and its inheritance are such that they provide the basis for new social divisions is somewhat overdrawn. An examination of deceased persons' estates data and a case study of housing transmissions highlight the significant variations in the sizes of estates and support the contention that the divisions within the category of inheritors are as important as the divisions between inheritors and non-inheritors. A further extension focuses on the dimensions of inheritance that are more than simply economic. Through an analysis of special gifts bequeathed in wills and the meanings attached by inheritors to the money they inherit, it is shown that the study of inheritance can reveal much about the meanings of family relationships, the construction of identity through material goods and wealth, notions of morality and much else. The thesis is also concerned with using inheritance behaviour as a basis for critiquing the portrayal of economic behaviour in neo-classical economics and mainstream sociology. Inheritance behaviour does not show actors as being driven by the principles of rational choice but as being embedded in sets of ongoing social relations which influence their treatments and understandings of inheritance. The development and practice of an approach to 'doing sociology' is also addressed in this thesis.

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INTRODUCTION

1.1 Introduction

Over the past two decades a keen debate has developed in both housing studies and mainstream sociology regarding the significance of home ownership for changing patterns of wealth distribution and social stratification. The debate has turned on the idea that home ownership offers a means through which owners can accumulate significant amounts of wealth, a possibility denied to those living in other forms of housing tenure. This feature of home ownership has raised the question of the respective roles of consumption and production sector location as the fundamental causal mechanism in the development of social inequalities. Ownership or non-ownership of housing was therefore put forward as a crucial factor in the growth of a new social fissure between, on the one hand those who could provide for their own housing and other consumption needs through the market, and on the other, those who relied on state provision (Dunleavy, 1979, 1986; Saunders, 1984, 1986; Thorns, 1989). In turn, this debate has been linked to wider theoretical arguments over the nature and causes of the economic and social transformation of western society over the last two decades. These wider debates include those put forward by Halsey (1987) regarding new patterns of social polarisation that have emerged and the relative size and constitution of advantaged and disadvantaged groups, by Lash and Urry (1987) regarding capitalism's shift from an organised to a disorganised condition and the consequent changes to stratification patterns and by Offe (1984) regarding core and periphery labour markets and their characteristics as a basis for social bifurcation.

A more recent extension to the debate has focused on the role of home ownership in maintaining stratification patterns over time through the

inheritance of housing wealth (Munro, 1988; Saunders, 1990; Thorns, 1990a). Initially the argument focused on the simple binary division between inheritors and non-inheritors mirroring that between owners and non-owners of housing. Of late, greater recognition has been given to the social and spatial differentiation within the categories of home owners and inheritors. It has been argued that patterns of home ownership and thus the inheritance of housing wealth are shaped by class, gender and ethnicity and connect to past patterns of home ownership. In addition, it has been noted that regional variations in house prices have impacted significantly on the extent of wealth accumulated through housing which, in turn, also affects the value of any inheritance that contains housing wealth (Forrest and Murie, 1989, 1995a; Hamnett *et al.*, 1991; Hamnett, 1992; Thorns, 1995).

The purpose of this thesis is to develop and extend the current sociological debates in the areas of home ownership, housing wealth and inheritance in three major areas. First, the empirical material presented is intended to provide a solid basis to move beyond the inheritance/non-inheritance dichotomy by demonstrating differentiation and diversity among those who leave housing wealth, the inheritors of housing wealth, and the nature and value of the housing that is left.

The second extension is that of adding a comparative dimension to what has been effectively a British concern, through the examination of key issues and questions on housing, wealth and inheritance in New Zealand. This extension is intended to gauge the wider relevance of the debate and address the criticism of ethnocentrism.

To date, much of the work on housing wealth inheritance has concentrated on the impact of this phenomenon in establishing new, broad, economic divisions between large groupings of people, with little attention being given to the impact of inheritance on individuals, particularly between family members. The third major area of extension to the housing wealth inheritance debate attempted in this thesis is therefore to go beyond what has been largely an

economic focus on housing wealth inheritance and the divisions it creates, to examine the process of inheritance itself for what it can tell us about the nature of family and other intimate relationships. The argument pursued here is that the focus on inheritance (and by implication housing wealth inheritance) as a mechanism of dividing wealth, goods and people is too narrow. Inheritance is also a mechanism which concerns connections among people, including those between the living and the dead and the living and the living. Viewing inheritance in this way opens up more complex ways of conceptualising the connections between people, wealth and goods and the way wealth and goods are used to make meaningful these connections.

Two other themes underpin this work. The first concerns my approach to ways of thinking about and 'doing' sociology. A major catalyst for this aspect of my work has been Pierre Bourdieu's precept that the theory and practice of sociology should aim to transcend the false antinomies on which much of the discipline is based (Bourdieu, 1988). Heeding his principle I have attempted to frame this thesis as an integrated whole, weaving together the macro and micro aspects of inheritance and demonstrating the constant connectedness between theorising about housing, wealth and inheritance and the practice of using multiple methods to gather and analyse empirical data.

The second theme, which remains somewhat more embryonic throughout this work, concerns the development of a critique of the way economic behaviour tends to be portrayed in neo-classical economics and much mainstream sociology. In particular I want to demonstrate through an examination of one form of economic behaviour, inheritance behaviour, the narrowness of the economic approach to behaviour exemplified in the work of such theorists as Becker (1976, 1981). The analysis of inheritance behaviour put forward in this thesis will show that economic behaviour is not abstracted out of the social context in which it occurs, but rather is embedded in sets of ongoing networks and personal relations (Granovetter, 1985, 1991).

This chapter is structured as follows. In the next section I discuss in more detail the key issues and questions explored in this thesis and set out the process of question formulation and reformulation I went through as the primary concerns of this thesis evolved and developed. Sections 1.3 and 1.4 are literature reviews focusing on the treatment of inheritance in sociology and the literature on housing wealth inheritance respectively. In the final section I outline the structure of the thesis.

1.2 Question Formulation and Question Reformulation

The initial research questions for this thesis were devised with the intention of extending the current British debate on housing wealth inheritance in two key areas. The first was to bring together a set of empirical data on housing wealth inheritance that could be used to address the theoretical questions raised. When I was contemplating this thesis in late 1989 and early 1990, it was my observation that the debate on housing wealth inheritance had reached something of a hiatus and for it to advance beyond the realms of “‘theoretical’ theory” (Bourdieu, 1988: 774)¹, some solid, empirical data was needed to extend Munro’s empirical study (Munro, 1988) and underpin other work that relied more on arguments based on indirect rather than direct evidence (Murie and Forrest, 1980; Forrest and Murie, 1989). My first intention therefore, when setting out on this thesis was to extend the debate on housing wealth inheritance through the use of empirical data.

The second extension I intended was by way of the addition of a comparative dimension. The original work on housing wealth inheritance was restricted to the British experience and developed in a context of high house price inflation coupled with a rapid increase in home ownership rates (Saunders, 1990). To gauge the wider relevance of the debate and to meet the obvious challenge of ethnocentrism, a useful strategy was to examine key questions and issues on housing wealth inheritance in a national context outside of Britain. For a

¹ There is no doubt that a new sense of vitality was added to the debate with the publication of Hamnett, Harmer and Williams’ study *Safe as Houses* (Hamnett *et al.*, 1991) but this work was not available to me in the early stages of this project.

number of reasons New Zealand provides a suitable alternative location for carrying out a comparative study. The following paragraphs set out these reasons, put the development of mass home ownership in New Zealand in an historical context and provide a backdrop against which the emergence in Britain of the issue of housing wealth inheritance can be set.

First, home ownership as a tenure is more widespread in New Zealand than it is in Britain. Figures from the 1991 New Zealand Census showed that 73.6% of all households were owner occupied, a slight increase of .7% from the 1986 Census figure of 72.9%. These figures indicate that home ownership in New Zealand is, in the terms of Forrest and Murie (1992), a mature ownership sector. Such a sector is characterised by mass ownership and extends to households from a range of ages, incomes, family structures and classes and includes a dwelling stock that is varied in terms of age and condition. Most houses bought and sold are second-hand, house prices and the investment potential of housing is volatile and the sector itself is competitive and increasingly deregulated (Forrest and Murie, 1992: 2).² In short, a mature home ownership sector is characterised by diversity and differentiation, both terms which would aptly describe New Zealand's home ownership sector.

Second, New Zealand has a far longer history of mass owner occupation than does Britain. As early as 1911 over half of New Zealand's households were owner occupied.³ By the 1920s this figure had risen to nearly 60%, but dropped back during the Depression years to approximate the earlier 1920s levels. Following the economic growth of the late 1930s and the immediate post-World War II period home ownership rates again increased, to reach 61.4% of all households by 1951. Over the next decades home ownership has increased steadily from 68.1% of households in 1971, to 72.9% in 1986, until the present level that encompasses almost three quarters of all New Zealand

² By contrast, the key feature of a less mature sector is that ownership is largely restricted to the middle class.

³ 1911 was the first year in which Census data on tenure was collected in New Zealand. Previous to 1911 Census data on housing comprised numbers of houses, type of dwelling, numbers of occupants/per dwelling, dwelling materials etc.

households. By comparison, the British home ownership rates have until relatively recently been significantly lower than those of New Zealand. For example, British rates of owner occupation were approximately 10% in 1914, 29.5% in 1950, 44% in 1960, 55% in 1975 and 66% in 1986 (Merrett and Gray, 1982; Cooper, 1985; Hamnett, 1990). Given the comparatively longer history of mass home ownership in New Zealand it is therefore plausible to suggest that housing wealth inheritance has had more impact on a wider range of people and more differentiated types of households than it has in Britain. Although there would still be a tendency for housing wealth inheritance to have something of a class, ethnic and gender bias⁴ it is nevertheless the case that for a considerable proportion of the New Zealand population, housing wealth inheritance is an occurrence that, rather than being a novelty, is expected and even somewhat taken for granted.

Third, like Britain, New Zealand has also experienced booms in the housing market in various periods over the last three decades.⁵ The boom of the early 1970s was experienced in all areas of New Zealand with relatively uniform capital gains and rates of return to all home owners. Beyond the mid 1970s however, a much more diverse and uneven pattern of gains became evident, with differential rates of regional gains and losses being connected to shifts and

⁴ The class bias of home ownership and, by implication, housing wealth inheritance, results from lower home ownership rates for those on the lowest incomes, benefits etc. The ethnic bias is demonstrated in the lower rates of home ownership for Maori and Pacific Island groups historically in New Zealand (Thorns, 1995: 13-15). In the 1991 Census it was noted that only 55.3% of Maori households and 47% of Pacific Island households were owner occupied. These figures can be compared with the owner occupation rate of 73.6% of total New Zealand households. The gender bias related to lower ownership rates for women living outside the nuclear family, i.e. women not living with a spouse or partner. For example, the 1991 Census showed that 85% of currently married women lived in owner occupied housing, compared with 71% of previously married women and 60% of never married women. The Census also brought to light differences within the category of previously married women. While 79% of widows were home owners, only 68% of divorced women and 58% of separated women lived in owner occupied housing. The likelihood of women passing on housing wealth must therefore be analysed in light of the relationship they have, or have had, with a male partner (de Bruin and Dupuis, 1995).

⁵ The impacts of housing price booms have been well documented in the British housing literature. See for example Saunders and Harris (1988), Saunders (1990), Hamnett (1991) and Hamnett *et al.*, (1991). Badcock (1994) explores a similar issue in the Australian context.

changes in regional economies (Dupuis, 1989, 1992; Thorns, 1989; Dupuis and Thorns, 1995a).⁶ A key feature that has emerged in New Zealand's home ownership sector over the last two decades has been the increasing domination of Auckland, New Zealand's largest city, to the extent that it comprises almost a separate market, with few connections obvious between what is happening in its market and the regional and urban housing markets in the rest of New Zealand. Valuation New Zealand data on average selling prices of houses in urban areas demonstrates this variation. The Auckland urban area is made up of four contiguous cities: North Shore City, Waitakere City, Auckland City itself and Manukau City. The average selling prices of houses for the quarter ending December 1996 for these cities were as follows: North Shore City, \$281,946; Waitakere City, \$207,068; Auckland City, \$315,829; and Manukau City, \$217,422. By comparison the average selling price for houses over the same time period in Wellington City was \$206,867, Christchurch City \$160,333, Dunedin City \$105,440 and Invercargill \$79,297. The average selling price for all houses in New Zealand for the same time period was \$167,769 (Valuation New Zealand, 1997: 5).

Fourth, the course of housing and taxation policy in the two countries has been quite different. Britain, at least until the 1980s, tended more towards support for socialised housing. By comparison, government support for home ownership has been a factor underlying New Zealand's housing policy for most of this century.⁷ Historically too, the New Zealand situation has differed in that an important consideration has always been the creation of a housing stock where none existed previously (Thorns, 1995: 12). In New Zealand state support for home ownership began in 1894 with the Advances to Settlers Act which provided for state loans to farmers to erect buildings or improvements on rural land. In 1899, the Act was extended to include urban and suburban lands.

⁶ For a discussion of the implications of regional variations in house prices in Britain see Hamnett (1989) and Harmer (1990).

⁷ In New Zealand state housing developed in the 1930s primarily as an economic pump primer after the Depression and came at a time when owner occupation was already well and truly entrenched as the dominant tenure. It has remained a minority tenure in New Zealand. For an analysis of state responses to housing crises in New Zealand see Thorns, (1990b).

Further extension to support urban home ownership came in the first decade of the twentieth century with the Workers' Dwellings Act of 1905 and the Advances to Workers Act of 1906. These were later followed by the Discharged Soldiers Settlement Act of 1915 and the 1919 Housing Act (Wells, 1944). While New Zealand's first Labour Government of 1935 broke from previous housing policy by establishing a state housing programme, there is no evidence that Labour intended this tenure to replace home ownership, or even compete with it. Instead, the view promoted by the Labour politicians of the day was that the two tenures would complement one another, with state housing acting as a first step for families on their path to home ownership (Chapman, 1981: 342). The continuity of support for home ownership was demonstrated by Labour's offering cheap mortgages to families on low and modest incomes to purchase their own homes. During the post War boom period of the 1950s and 1960s support for home ownership was still evident in government housing policies, with the passing of three important initiatives aimed at helping young families on low and modest incomes into home ownership: group building schemes, 3% loans and a scheme for the capitalisation of the Family Benefit.⁸ Although the economic climate of the 1980s made affordability problematic for many home owners and prospective home owners, the state still supported this tenure, through policy changes characterised by a more refined and targeted approach than previously (Thorns, 1986). Such policies as Homestart, Second Chance/Refinance loans, Equity Sharing and Sweat Equity were aimed at extending home ownership by assisting into this tenure, people for whom the

⁸ The Group Building scheme was initiated to stimulate and streamline the large scale building of low cost housing (New Zealand House of Representatives, *AJHR* 1960 B13: 11). In this scheme private builders worked with the state who facilitated the preparation and availability of serviced, subdivided sections. The state also supported a flexible system of deferred payment on the sections, set the final sales price of the house with the builder and agreed to buy the house from the builder if no immediate purchaser was available. The State Advances 3% lending scheme, introduced in 1958 was intended to help young couples and families into new housing by offering applicants who met certain requirements to have a normal 5%, State Advances 30 year loan rebated to 3%. In 1964 the scheme was amended to cover the purchase of existing houses as well as new houses. The Family Benefits Act of 1958 was intended to assist married couples with children to buy a home. This act allowed for the capitalisation of the Family Benefit in favour of a lump sum worked out at a 3% interest rate. These three initiatives were crucial in helping the rates of home ownership rise from 61% at the beginning of the 1960s to over 70% of all households by the end of the 1970s (Mahar, 1984; Wilkes and Wood, 1984; Ferguson, 1994; de Bruin and Dupuis, 1995).

financing of mortgages through regular market channels was problematic.⁹ It is only in the 1990s that New Zealand has witnessed a marked discontinuity in housing policy. The recent introduction of radical reforms to the housing sector have involved a shift from supply-side to demand-side subsidies in housing delivery, changed institutional arrangements and an alteration in the state/private sector relations in housing market activities through encouraging a greater role in the housing sphere for the private sector (McLeay, 1992; de Bruin and Dupuis, 1995).

Fifth, home ownership has long been integral to the New Zealand ethos (Thorns, 1984). Partly this is due to a widely accepted view that property in New Zealand has always been a good investment. In fact the notion that property ownership is probably the best investment a person can make has long been entrenched in the national ideology. Such a view is also compatible with New Zealand's long history of land and property speculation (Condliffe and Airey, 1957; Stone 1973).¹⁰ While real estate agents and others in industries and businesses associated with housing would sincerely concur with this sentiment, it would be entirely incorrect to suggest that New Zealanders have somehow been duped into believing in the value of home ownership, given the empirical evidence that can be mustered to support this view (Reserve Bank Bulletin,

⁹ Of the policies mentioned Homestart was the most important. It was aimed at helping middle and low income families overcome the problem of initial entry into owner occupation, by bridging the deposit gap and lending the deposit for a house on a delayed repayment scheme. Second Chance/Refinance loans were introduced to provide finance for home owners experiencing major financial or social difficulties which would have precluded them from gaining a loan elsewhere. The Second Chance scheme was particularly pertinent to people who had experienced marriage breakdown and received some equity from the sale of the matrimonial home, but still did not have enough to purchase another house for their family. Under the Sweat Equity scheme houses in need of substantial renovation were made available to modest income families purchasing their first home. While renting from the state the families undertook renovations to bring the houses they were occupying up to standard. When the work was completed satisfactorily, the families could purchase the home with the work they had put into it being taken into account when settling on a purchase price (Auckland Regional Authority, 1986; Housing Corporation, 1988; Dupuis, 1989; Kilgour, 1989).

¹⁰ There has been a long history in New Zealand of property speculation reaching back to the earliest colonial days. For example Stone (1973: 5-6) comments on the practice of land speculation as being 'the most ubiquitous of nineteenth-century Australasian vices' and Gardner (1981:58) notes that an important reason for effecting the annexation of New Zealand in 1840 was the strength of the lobby of New South Wales speculators who wished to extend their activities to New Zealand.

1986; Dupuis, 1989, 1992; Thorns, 1989; Dupuis and Thorns, 1995a). But home ownership offers more than just economic security. It can also offer a way of dealing with what Giddens has termed the 'problem of ontological security' (Giddens, 1979, 1984). Giddens describes this concept as a sense of confidence and trust in the world: a security of being. It is the confidence most human beings have in the continuity of their self-identity and in the constancy of their social and material environments. Basic to ontological security is a sense of the reliability of persons and things (Giddens, 1990: 92). In a novel extension of Giddens' concept, Saunders (1984) has argued that home ownership can provide a solid basis for the development of ontological security. This insight has been extended in recent New Zealand work in which it is argued that for home owners 'home' can be understood as a site of constancy in the social and material environment, as a secure base around which identities can be constructed¹¹ and as a locale where people feel most in control of their lives and where they can be free from the surveillance of others (Dupuis and Thorns, 1995b, 1996).

With the intention of developing this study as a comparative piece of work, it seemed sensible that I use as guides to shape my work the theoretical and methodological approaches of previous studies in the area (Murie and Forrest, 1980; Saunders, 1984, 1986, 1990; Hamnett, 1985, 1991; Munro, 1988; Forrest and Murie, 1989; Hamnett and Harmer, 1990; Hamnett *et al.*, 1991). At the time when I was consolidating my initial research questions the most ambitious and detailed study of housing wealth inheritance was Hamnett, Harmer and Williams' *Safe as Houses* (1991) and by and large, the issues and questions central to my research proposal were very similar to those examined in their study. These issues included: the processes that underpin wealth accumulation through housing; issues that might impact on the estate value such as marital status and age of the deceased at time of death etc; social characteristics of inheritors such as age, tenure position, occupation, gender etc; and the uses to which inheritors put their inheritances. Put simply, I saw the

¹¹ It has even been claimed that for New Zealanders the act of becoming a home owner is a rite of passage and that anyone who reaches the age of 40 without owning a house is not fully adult and decidedly suspect (McLeod, 1989).

thesis questions as follows. How is housing wealth amassed? How much is amassed? Who amasses it? How important is housing wealth in inheritance? Who inherits? What do they do with their inheritance? My plan was tidy and clear cut and although I still had to collect data and establish a comprehensive literature review I saw few major obstacles ahead.

Within a very short period of time however, my neat and ordered plan went awry. Things became untidy. I found it difficult to focus on the issue of housing wealth inheritance without delving into the wider literature on inheritance *per se*. In so doing, fields of work opened up that seemed to offer vital new insights that had to be incorporated into my thesis, although at the time I had little idea of how this might be achieved. I had gained access to the inheritance literature from searches of social science indexes and abstracts. Little that I uncovered however, came from sociology. In fact the literature I found the most influential (although in each case for quite different reasons) came from the disciplines of anthropology and economics. At the time I was concerned that I must be neglecting, or unable to unearth the sociological literature on inheritance. My feelings of disquiet were finally alleviated however, when I discovered an obvious explanation for this strange 'sociological lacuna': there is very little sociological literature on inheritance, so the material I was reading was all that was available (McNamee and Miller, 1989).

According to McNamee and Miller, at both the theoretical and empirical levels, and across a range of perspectives, sociologists have simply failed to treat inheritance as a central sociological concern. They argue that for functionalist theorists this neglect can be described as ideological resistance to the issue, but the neglect of the issue by conflict theorists is more perplexing. Perhaps what McNamee and Miller overlooked in their explanation is that both functionalist and conflict theorists share a belief in the tradition/modernity dichotomy, which positions inheritance firmly in the realm of tradition, thus coming under the domain of anthropology and confirming inheritance as a topic out of the range

of mainstream sociology.¹² Clignet provides a more individualised and personalised explanation when he suggests that as stratification theorists themselves believe in the mythology of social mobility they feel:

... dispensed from looking at the behaviors and practices of all strata of their society. Since they think they owe their own social status to their creativity, they deny the existence of any other avenue to success except work and self-actualization. As a result, their scientific activities become articles of faith rather than reasoned acts inspired by scientific doubts (Clignet, 1992: 210).

Turning to the empirical level, here too inheritance poses numerous methodological problems, not least of which are the lack of availability of reliable and complete data sets on the size and distribution of estates. Put simply, methodologically inheritance is very difficult to research.¹³

In contrast to sociologists for whom the topic of inheritance ‘remains off limits’ (Clignet, 1992: 6), both anthropologists and economists have devoted considerable attention to the question of wealth inheritance. While the treatment of inheritance in the anthropological literature is diverse, the studies which influenced me most were those that highlighted the connection between inheritance and family ties and demonstrated the way in which inheritance is intrinsic to the process of social reproduction through the maintenance of family systems (Goody, 1976; Goody, Thirsk and Thompson, 1976). Of particular importance here was the strand of work exemplified by Bretell’s study of property transmission in northwestern Portugal in the nineteenth century. From her work I was able to extract four key ideas that helped shape my thinking about inheritance (Bretell, 1991).

¹² A more comprehensive review of the treatment of inheritance in sociology follows in Section 1.3 of this chapter.

¹³ I readily concur with the argument that inheritance poses enormous methodological difficulties. I too faced an array of problems in collecting and dealing with the data for this thesis. Evidence of this can be found in each data chapter where I recount explicitly these difficulties.

1. Property and its transmission both shapes, and is shaped by social relationships, particularly family relationships. This key point encourages a more expansive understanding of inheritance, beyond the solely economic phenomenon of the passing on of wealth and encourages a broader focus on people and their interactions, rather than on the inherited wealth itself.
2. An analysis of property transmission requires an approach that focuses on the historical and cultural specificity of the inheritance process. From this perspective inheritance is perceived as a process strongly embedded in shared family practices which vary across social space and time. Once I had comprehended this notion I began to look differently at the phenomenon of housing wealth and its inheritance in New Zealand and was able to transcend a focus on inheritance as fungible, material wealth only and incorporate within my analysis a focus on meanings associated with the process itself and the wealth and goods transmitted.
3. Within the family the process of inheritance is one of negotiation which can occur both during the lifetime of the will makers and after their deaths. The interview data presented later in this thesis show the impact of these negotiations and in particular the possibility that they unleash the gamut of passions and emotions from love and gratitude through to bitterness, greed and jealousy.¹⁴ Thus inheritance is a process through which intimate social relationships, in particular family relations, can be examined in all their complexity and minutiae.
4. The process of inheritance is one in which the cultural values that underpin a social and economic system are expressed and as such it can be a key factor in shaping and reshaping social divisions between broad groups of people.

¹⁴ Some of the interview data I collected is included in Appendix A. Once I had started on the interviews I realised that what I was hearing were reworkings of some of the themes fundamental within the western ethos that have occurred time and again in western literature in such diverse works as Shakespeare's *King Lear*, Austen's *Sense and Sensibility* and Zola's *La Terre*.

My reading of inheritance in the economics literature further confirmed my emerging view that family connections and emotions were key components in the study of inheritance. This was not because of the inclusion of these dimensions in the inheritance literature in economics, but because of their exclusion. Much of the work on inheritance I read in economics, was dedicated to the development of increasingly sophisticated econometric models of intergenerational wealth transmission, wealth distribution and bequeathing behaviour and its impacts. While I found the mathematics of this whole business fascinating, albeit complicated, the same cannot be said for the assumptions that underpinned these economic models. In particular, I was offended by what I perceived as an overly simplistic depiction of human beings as atomised, rational individuals who adhered to behaviour patterns driven by self interest and self maximisation: ‘homo economicus’, the rational man of economics. Less than satisfactory too, were the few cases in which family ties or emotions were considered. In these instances an altruistic behaviour component was ‘added on’. So called rational behaviour was then explained in terms of the pleasure or satisfaction derived from ‘doing the right thing’.

Together, the insights I gained from anthropological studies of inheritance, the informal stories I heard and the critique of the dominant econometric approaches to inheritance I was developing, indicated to me that treating inheritance as a purely economic process was a sterile exercise. I came to the conclusion that any study of inheritance that concentrated only on the inheritance of material goods, would fail to capture the complexity and nuances that make the study of inheritance the intrinsically absorbing enterprise that it is.

Sketched above is my account of the development of the broad, overarching questions that are the concerns of this thesis. In keeping with my view that theory and research practice are not discrete but linked phenomena and in a sense feed off one another as the research process unfolds, further reference to these questions will be made in Chapter 2 where I discuss the research approach that has underpinned this current work.

1.3 The Treatment of Inheritance in Sociology

In the previous section I drew attention to the dearth of sociological literature on inheritance. Such an omission is strange given that death is an undeniable feature of all human existence and all societies have norms dealing with the passing on of material wealth and goods at death. Yet the seminal sociological texts on death (Glaser and Strauss, 1965; Sudnow, 1967; Ariès, 1981) have paid little attention to the connection between death and inheritance and even the association between inheritance and the perpetuation of wealth inequalities and their maintenance over generations has tended to be overlooked by sociologists (Brittain, 1978; McNamee and Miller, 1989; Clignet, 1992).¹⁵

Yet despite McNamee and Miller's characterisation of the dearth of work on inheritance in sociology as a 'sociological lacuna', the discipline can make claim to some theoretical and empirical work on inheritance. For example, sociology's founding theorists, Marx, Weber and Durkheim all discussed inheritance, although none took it as a central focus of study. One might assume that of the three, Marx would have given greatest consideration to inheritance as a key mechanism through which the owning class could maintain its privileged position. This is not so, although the abolition of all right to inheritance was the third principle in the *Manifesto of the Communist Party* (Marx and Engels, 1948).

Inheritance was however a crucial, albeit implicit, element in Engels' explanation for the historical development of gender inequalities, the theme of his famous treatise *The Origin of the Family, Private Property and the State* (Engels, 1972).¹⁶ Engels' crucial insight in this regard was the connection

¹⁵ Finch and Wallis (1993) somewhat contradict this position when they claim that more consideration has been given to the macro, rather than the micro dimension of inheritance, thus implying that what work has been done has tended to focus on the role of inheritance in social stratification.

¹⁶ Although authorship of *The Origin of the Family* is accorded to Engels, he wrote it after Marx's death from notes Marx had made on the work of nineteenth century anthropologist Morgan.

between the accumulation of private property, gender inequalities and monogamous marriage, a form of marriage which came about only because of the needs of men to ensure that the private property they controlled could be passed on to their biological offspring. According to Engels, before the emergence of settled agricultural economies (or to use Engels' terminology, 'civilisation') which set in place the conditions for the accumulation of private property, the forms of marriage practised (group and paired marriage), fostered gender equality. The advent of 'civilisation' was however, accompanied by the practice of monogamous marriage which became the basis for the development of gender inequalities. Engels argued that once some men gained control over the productive resources of land and animals, they then wanted to pass on these resources to their children, particularly to their sons. However, in order to be certain that their children were, in fact, their own biological offspring, it was necessary for women's sexuality to be restricted. This was achieved through the practice of monogamy which brought with it the calculation of descent through the father's kinship group. Father right replaced mother right (descent calculated from the mother's kinship group) and brought with it 'the world historical defeat of the female sex'. The inheritance of private property is therefore basic to Engels' explanation for the development of gender inequalities. Engels did not however, explore the question of the necessity for inheritance to be practised in the manner he outlined, but merely took for granted that the desire to pass on property to one's children was a 'natural' phenomenon.

When Durkheim and Marx are compared, Durkheim is frequently characterised as the arch conservative and Marx the archetypal radical, yet interestingly they both agreed, although for very different reasons, that the inheritance of private property should be abolished. In *The Division of Labour in Society*, Durkheim (1984) argued that in modern society the division of labour produced organic solidarity only if it occurred in an unhampered or spontaneous way. If inheritance persisted it would hinder the spontaneous division of labour by keeping some people from occupying ranks in society commensurate with their abilities. As Durkheim commented:

... labour only divides up spontaneously if society is constituted in such a way that social inequalities express precisely natural inequalities (Durkheim, 1984: 313).

Here Durkheim is arguing that social inequalities are acceptable, even necessary, but should result from differences in natural abilities and merits, not from some external cause like the hereditary transmission of wealth which :

... suffices to render very unequal the external conditions for the struggle, since it gives to some the benefit of advantages that do not necessarily correspond to their personal value (Durkheim, 1984: 314).

Durkheim suggested that the state should intervene to regulate external conditions through such policies as the abolition of inheritance. While advocating this in the short term, Durkheim was of the belief however, that the practice of inheritance would diminish over time as modern societies moved in the direction of greater stability and efficiency as organic solidarity became firmly entrenched. Durkheim (1957) also postulated that as industrialisation became more firmly established and the role of the family as an economic institution declined, the number of beneficiaries and the amounts of money involved in inheritance would also decline. Under these circumstances Durkheim believed individuals would be more likely to make bequests in favour of charitable, welfare, educational and cultural institutions.

Weber too discussed inheritance but again, more in passing than as a concern in its own right. In *Economy and Society* (1978: 668-669) he referred to inheritance in the context of the extension and development of contract law within market societies as part of the move towards rationalisation. He claimed that the 'juridico-economic' position of the individual (i.e. all an individual's legitimately acquired rights and valid obligations) was determined primarily in pre-modern societies by inheritance based upon a legally recognised family relationship. In modern societies on the other hand, individuals created their own rights through market relationships based on contracts. The important distinction Weber made was between family and household on the one hand

and the market on the other. Weber associated the former with traditional modes of authority and the latter with legal-rational authority. Inherited position for example is a key aspect of traditional organisation whereas in modern bureaucratic organisations inherited position is not a criterion for bureaucratic appointments. Inheritance as it is practised in modern societies, thus sits uneasily within Weber's view of rationality being the leitmotif of modernity. Within his argument, inheritance is associated with traditional, patrimonial authority and organisation and, by contrast, contracts are associated with modernity and rational bureaucratic authority and organisation.¹⁷

McNamee and Miller's claim of the ideological resistance to the examination of inheritance is supported when later treatments of inheritance are examined. The view of inheritance found in Davis and Moore's classic functionalist statement on social stratification follows Durkheim, and like Durkheim, they too had trouble in reconciling the place of inheritance within a theory that is underpinned by an uncritical acceptance of the notion of equality of opportunity (Davis and Moore, 1945). Their argument begins by accepting the premise that stratification is a universal feature of all human societies. All societies they argue, must have mechanisms through which their members are slotted into a range of social positions and further mechanisms which then induce members to perform the appropriate duties for these positions. In terms of the stratification patterns of contemporary western societies Davis and Moore argue that some social positions are functionally more important than others and require special talents and training. To get the most suitable people into these important positions requires the inducement of higher monetary rewards, which results in the development of social and economic inequalities. The problem they then have to explain from this position is what happens when the rewards earned by one generation are passed onto the next via inheritance. How can equality of opportunity be explained in a context in which inheritance is widespread? Their attempt to resolve the problem is the distinction they make between functionless ownership characterised by inheritance and active

¹⁷ See Kronman (1983) for a more detailed discussion on the role of contractual association vis-à-vis inheritance in Weber's work.

ownership. In a sense this distinction mirrors a differentiation between wealth and income. They state:

... as social differentiation becomes highly advanced and yet the institution of inheritance persists, the phenomenon of pure ownership, and reward for pure ownership emerges. In such a case it is difficult to prove that the position is functionally important or that the scarcity involved is anything other than extrinsic and accidental. It is for this reason, doubtless, that the institution of private property in productive goods becomes more subject to criticism as social development proceeds toward industrialisation. It is only this pure ownership, that is, strictly legal and functionless ownership, however, that is open to attack; for some form of active ownership, whether private or public, is indispensable (Davis and Moore, 1945: 246-247).

Clearly Davis and Moore do not deal adequately with the issue of inheritance. In fact, inheritance becomes a major problem for their theory to explain and rather than take it on squarely they appear to gloss over the theoretical contradiction they set up and concentrate instead on earned income rather than inherited wealth when discussing the economic aspects of their principles of stratification.

A second strand within functionalist analysis deals with inheritance somewhat differently by focusing on the function of inheritance in maintaining social stability. Here inheritance is viewed as a means of producing a less divided society by reducing the possible social disruption that could occur as a result of the competition over scarce resources. From this stance inheritance has a positive, integrative function. The importance of family and kinship bonds built up around inheritance are therefore seen as crucial to social integration and social solidarity.¹⁸

¹⁸ This particular strand of functionalism is similarly well developed in a variation of functionalist anthropology (see for example, Arensberg and Kimball (1940). For criticisms of this approach in anthropology see Brody (1973) and Gibbon (1973).

This position is exemplified in the work of Sussman, Cates and Smith (1970) and Cates and Sussman (1982a and 1982b). They argued that although the types of assets transmitted through inheritance differ now from times past, inheritance still plays a vital function in providing the family with the necessary assets to sustain its members over time. They extended the functionalist argument of stability by incorporating into it the concepts of serial service¹⁹ and reciprocity²⁰. Their empirical data gathered from wills, showed the predominance of serial service in inheritance patterns, with estates being left primarily to children, or if testators were childless, to nieces and nephews. The major exception to this pattern was when testators were survived by a spouse and children. In these cases, the overwhelming majority of testators named the spouse as the sole heir. Sussman *et al.* (1970: 289-290) claimed here that this action then provides the spouse with sufficient assets to be able to live independently, but simultaneously and crucially, to have a legacy that can be used in bargaining for services from children or other relatives. Underpinning their position is a view of human beings as rational, self maximising individuals compatible with that accepted by neo-classical economics.

I have argued so far that the founding theorists and later functionalists have given little recognition to inheritance as an important sociological question in relation to social stratification. Post-industrial theorists of the 1960s and 1970s like Bell (1973) and Touraine (1971) did little to remedy this situation as they too tended to focus on occupation, although it was the connection between occupation and power with which they were particularly concerned. The argument, best set out by Bell, is that contemporary societies have entered a new

¹⁹ The term serial service was first used by Wilbert Moore in his book *Order and Change* (1967). The term as used by Moore means the unilateral passing on of goods and services from one generation to the next, from the older to the younger generation.

²⁰ Reciprocity is a key theme within exchange theory, a variant of functionalism. Exchange theory itself has differing emphases, with on the one hand a more individualistic version exemplified in the work of Homans (1961) and Blau (1964) and a more collectivist version that is associated more with the work of anthropologists like Mauss (1969) and Levi-Strauss (1969). The work of Sussman, Cates and Smith has most in common with the Homans/Blau variant.

phase of development which he characterised as post-industrial, in which service industries have usurped manufacturing industries as the major activity of the labour force. Bell argued that within the service sector the possession of theoretical knowledge was the crucial means of gaining power, in the same way that property ownership was the key component to power in the nineteenth and early twentieth centuries. In post-industrial theories therefore, property ownership, and by implication the inheritance of this property, became irrelevant as a concern in stratification.²¹

Contemporary conflict theorists have also failed to consider inheritance as central in their work on stratification. The British neo-Weberians, Parkin (1979) and Giddens (1984) have extended Weber's theory of stratification in ways that might have offered scope for incorporating an analysis of inheritance, but neither did so systematically. In his structuration theory, Giddens (1984) did little more than mention inheritance in passing as a mediate, or long term cause of mobility closure and while Parkin discussed property ownership as one basis for social closure through strategies of exclusion, he too appeared to be influenced by the argument of meritocracy, when he claimed that the old aristocratic order had not been able to sustain its advantage over generations, in the face of the usurpation of the bourgeoisie. He also suggested that because the bourgeoisie itself, and therefore its wealth, is fragmented it becomes more vulnerable to usurpation. His position however, does not appear to be borne out by empirical evidence on wealth holdings which tend to show that the wealth of the small elite has remained stable over time (Brittain, 1978).

American conflict theorists too have not fully developed the issue of inheritance as a key sociological issue. Collins (1975: 414), also a neo-Weberian, distinguished between the distribution of wealth and the distribution of opportunities to acquire wealth as two distinct elements of social stratification and used this insight to criticise mainstream American sociology's focus on the latter. Yet he too did not directly address the issue of inheritance in social

²¹ As Giddens points out 'the idea that 'knowledge is power' is an old one' (Giddens 1973: 262) and contains a number of difficulties, the most obvious of which is that the person who holds power need not necessarily be the person with the specialised knowledge.

stratification. Lenski (1966) however, did incorporate inheritance into his analysis of social stratification when he argued that economic inheritance is the key mechanism through which power and privilege is maintained. Lenski's term economic inheritance did not however, distinguish between inheritance in terms of the intergenerational transmission of property and the intergenerational transfer of other resources like education and political position.

In this section I have argued that by and large sociologists have paid little attention to the question of inheritance. I have focused on the writings of key theorists in the area of social stratification, as one could expect that these theorists would give greatest consideration to the question of wealth inheritance. In the following section I provide a literature review of the more specific issue of housing wealth inheritance.

1.4 Housing Wealth Inheritance: A Literature Review

The consideration of housing wealth inheritance as an issue worthy of research in its own right appeared relatively recently in the social sciences literature and curiously originated in Britain.²² Given that widespread housing wealth inheritance occurs only when home ownership is well established, it is strange that the issue did not appear first in the social sciences literature of countries like the United States, Canada, Australia or New Zealand where home ownership has been the dominant tenure for a much longer period than it has in Britain. Hamnett (1991) explains the sudden surge of interest on the part of British academics to take up the topic by suggesting that in Britain two trends converged that set it apart from other countries and made the widespread phenomenon of housing wealth inheritance of particular significance. The first trend, the post War growth in home ownership, saw the number of owners rise

²² The term Britain is used here for convenience. I recognise that different historical, economic, political and ideological factors shaped the housing sectors differently in England, Scotland and Wales and even within the separate countries there are significant differences in the housing sectors according to geographical area.

from approximately 3 million in 1945, or 25% of all households, to 14 million, or 66% of all households in 1988.²³ The second trend, high house price inflation, although not evident until the 1970s, resulted in large capital gains for many long and short term home owners alike. The outcome of the convergence of these trends in Britain was threefold. First, housing became a far more important component of wealth holdings than it had been previously. Second, the distribution of wealth widened as more people became home owners and the value of wealth holdings rose with house price inflation. Third, the inheritance implications of widespread home ownership became recognised as houses, or the proceeds of the sale of houses, which had been originally purchased in the 1940s and 1950s were increasingly being transmitted to the next generation.

The first serious consideration in the social sciences of housing wealth inheritance *per se* came in a 1980 paper by Murie and Forrest. Since then further interest has been shown in the issue by Saunders (1984, 1986, 1990), Hamnett (1985, 1990, 1991), Munro (1988), Forrest and Murie (1989), Hamnett and Harmer (1990) and Hamnett, Harmer and Williams (1991). The areas of expertise represented by these writers span such diverse fields as urban sociology, policy analysis, housing studies, geography and economics. Of the key contributors one could argue that although Saunders has written least specifically on the topic, he has been, in many respects, the leading figure in the field. His writings have set in place the major points of the debate, have been particularly influential in establishing the basic arguments linking housing wealth inheritance to theories of stratification and have attracted enormous criticism. Because of Saunders' fundamental position in setting up the theoretical debate it is useful to demonstrate how the concern with housing wealth inheritance developed in his work.

²³ I suggest a further circumstance that sets Britain apart from countries like the United States, Canada, Australia and New Zealand is that none of these other countries had a public housing sector that was as extensive as Britain's. At its height over one third of British households rented public housing, whereas in New Zealand for example, the public housing sector has never accounted for more than a small percentage of all households.

Looking back over the last decade and a half of Saunders' work one can trace in it a logical progression of concerns, all stemming from his attempts to integrate housing tenure into patterns of social stratification. Saunders' earlier work (Saunders, 1978, 1979) was a reassessment of Rex and Moore's theory of housing classes,²⁴ the key point of which was a shift in focus away from access to housing to exchange of housing (the realisation of housing wealth through the sale of the asset). This shift enabled Saunders to highlight the key feature of owner occupation: its potential for capital accumulation. In the process of exchange, owners operate in the housing market, which he views as distinct from the labour market, potentially making gains that both public and private renters have no prospect of making and at the same time use their dwellings in ways that landlords and developers who live off the returns from the property market cannot. Saunders argued therefore, that owner occupiers constituted a domestic property class, a middle class situated between the class of landlords and private developers on the one hand, and tenants on the other.

In later work Saunders abandoned the notion of domestic property classes, arguing that the notion itself was fundamentally flawed in that it attempted to bring together the two analytically distinct spheres of production and consumption which should not be conflated. Not only were production and consumption distinct spheres, but important new divisions were opening up in the sphere of consumption that, in Saunders' opinion, were of greater significance than class divisions in determining contemporary stratification patterns. For Saunders the key consumption sector in which these new social divisions were most obvious was the housing sector, primarily because of

²⁴ The basic tenet of Rex and Moore's theory of housing classes is that people can be grouped into distinct housing classes that are usually geographically segregated. Housing classes are independent of social classes and depending on local circumstances may vary in number. Rex and Moore argue that although there is general agreement on the point of the desirability of suburban housing, not everybody has equal access to this type of housing. As a result there is struggle and competition among housing classes. The way various groups gain access to housing (e.g. through the private rental market, through public housing, or through home ownership) is important as it confines groups to distinct areas e.g. blacks to the inner cities. Based on their Birmingham city research, Rex and Moore used the theory of housing classes to explain urban racial conflict (Rex and Moore, 1967). The theory attracted much criticism and is now largely discredited (see e.g. Davies and Taylor, 1970; Haddon, 1970; Couper and Brindley, 1975; Saunders, 1981).

housing's potential to have both a use value and an exchange value. Within this analysis the role of the state became crucial, in that it was the state which had the power to establish the legal and policy framework whereby ownership could be attained by some people, but not others (Saunders, 1984, 1986).²⁵

In more detail, Saunders' argument centred on four key processes which offer owner occupiers possibilities to accumulate wealth denied in other forms of tenure. First, capital gains accrue to owner occupiers as a result of house prices increasing at a faster rate than inflation. Second, mortgage interest rates have been kept at artificially low levels which in turn have kept interest rates on deposits at even lower levels. In this way depositors, who tend to be lower income earners, subsidise borrowers who tend to be higher income earners. Third, owner occupiers have had access to public subsidy in the form of tax allowances, rebates and savings grants which have rarely been available to renters. Fourth, home owners have the opportunity to increase the value of their asset through their own labour, again a possibility not open to tenants. One important implication of Saunders' consumption sector divisions theory is that it turns on their heads classical stratification theories in which only a minority benefit in economic terms. With the expansion of home ownership extended to a significant proportion of the working class, it is only those people who remain outside the owner-occupied sector and are dependent on the state to provide for their housing and other consumption needs who will comprise the minority, marginalised in terms of their inability to accumulate wealth through owner occupation (Saunders, 1984).

It is at this point that Saunders links wealth accumulation from home ownership to wealth inheritance and the subsequent impact on stratification patterns. Saunders maintained in Britain a situation was fast approaching in which:

²⁵ Saunders also mentions the importance of the health, education and transport sectors with respect to the reshaping of contemporary stratification patterns, but argues for the importance of the housing sector in that it has the unique quality that allows for financial gain to be made.

... millions of working people stand at some time to inherit a capital sum which ... is likely to exceed anything they could hope to save through earnings from employment (Saunders, 1986: 324).²⁶

Saunders argued that the sociological significance of the inheritance phenomenon would force social scientists to reassess their views on the causes of social inequalities and place more stress on the relations of consumption rather than the relations of production as the primary causal explanation of social inequalities.²⁷ Saunders commented on the impact of housing wealth inheritance on stratification patterns as follows:

Taken together with the other material advantages enjoyed by owner occupiers, and in the context of the significance of the public/private division in generating material inequalities in other areas of consumption such as education, pensions or health care, the inheritance factor is likely to demonstrate ever more clearly the significance of people's consumption location (Saunders, 1984: 324).²⁸

²⁶ There are echoes in this statement of Pahl's earlier comment that '[A] family may gain more from the housing market in a few years than would be possible in savings from a lifetime of earnings' (Pahl, 1975: 291).

²⁷ It should also be recognised that Saunders has a wider agenda operating here too. His concerns with placing themes of consumption at centre stage, keeping distinct consumption and production and arguing for the independent effect of consumption location on life chances must be located within the context of his aim to develop a non-spatial urban sociology. The debate over the appropriate subject matter for urban sociology has been long standing. Traditionally the focus of urban sociology was the city as a spatial entity. Saunders however, argued that urban sociology cannot be constituted around the object of the city or the problem of space, but must take account of non-spatial factors. He argued therefore, for the development of a non-spatial urban sociology that centred on issues of consumption. In his opinion it is consumption which is the crucial factor in shaping social inequalities, therefore consumption itself provides a distinctive object of analysis for urban sociology. The fact that there is nothing distinctly "urban" or spatial in the traditional sense was of no importance to Saunders and his retention of the term urban, to categorise his particular sociological concerns, was merely a matter of convention. He wrote:

I believe it is useful to retain this designation so as to maintain the intellectual continuity of the field ... therefore I shall refer to "urban sociology" and the "sociology of consumption" as interchangeable labels for the same set of theoretical and substantive concerns (Saunders, 1986: 289).

²⁸ For a critical review of Saunders' sociology of consumption see Burrows and Butler (1989).

In sum, Saunders argues that as inheritance becomes an increasingly significant factor in most people's lives, stratification theories that fail to recognise the central place of consumption will become less and less relevant to an understanding of contemporary patterns of power and privilege.

Although housing wealth inheritance was not the main focus of Saunders' 1990 publication *A Nation of Home Owners*, the theme is discussed in this text from a variety of angles. He recognised housing wealth inheritance as a key mechanism through which housing equity is released and drawing on the work of others (Morgan Grenfell, 1987; Hamnett and Harmer, 1990) calculated the amount and extent of this form of equity release. A useful insight articulated in this text is his perception of the way that the process of wealth accumulation through home ownership and subsequently through inheritance becomes a matter of 'familial accumulation', which he defined as a process whereby existing owner occupiers not only accumulate wealth through their own housing, but also inherited housing wealth from their parents and in time are able to pass the whole lot on to their children. Thus wealth accumulation through home ownership occurs across three generations. Saunders also commented that housing wealth inheritance had created a new group of people, described by the acronym 'pippies' (people inheriting parents' property) who were being targeted by the advertising industry's identification of them as a new, potentially affluent consumer group. A further point Saunders focused on was the average age of beneficiaries of housing wealth and the implications this held for the way inherited wealth was treated. Saunders noted that 50 was the average age at which people inherited housing wealth, by which time most people already owned their own homes. This made it unlikely that the inherited wealth would be needed to finance home ownership. The question therefore was raised regarding the uses to which beneficiaries would put their inheritances. According to Saunders, most inherited housing wealth would be invested. The final point Saunders made with respect to housing wealth inheritance was taken from the 1987 Mintel Report which stated that the chief result of contemporary inheritance patterns would not be to make the rich richer, as most people who receive an inheritance are not rich, but inheritance

patterns do make the poor at least relatively poorer (Mintel, 1987 cited in Saunders, 1990).

The pervasive theme throughout Saunders' work on housing wealth accumulation and inheritance is not that these processes are in themselves problematic. In fact Saunders overwhelmingly endorsed owner occupation and wrote at length about the positive aspects of this tenure. His concern was that the processes mentioned would drive a wedge between home owners and inheritors on the one hand and non-home owners and non-inheritors on the other. This latter category of people he saw as most likely to comprise Britain's developing underclass, a group wholly reliant on the cash strapped welfare state to meet its consumption needs.

Although Saunders' work has been central in establishing the parameters in which the debates over housing wealth inheritance have developed, the first time this topic appeared in the housing research literature was in Murie and Forrest's 1980 paper, 'Wealth, Inheritance and Housing Policy'. In this paper the authors addressed two major social policy concerns. The first was the limited nature of much of the research in the area of housing policy. They argued that traditionally, housing policy research had concentrated on the two issues of housing quantity and quality. As a result of this limited focus, little attention had been given to a wider set of issues concerning the links among tenure, inequalities and wealth. The second issue they brought to light was that of the unintended consequences of housing policies enacted to solve the problems of quality and quantity. In particular, they pointed out that housing policies that supported owner occupation, have set in place opportunities for wealth accumulation and property inheritance that were never initially intended, thus creating the conditions whereby on the one hand, already existing inequalities were in some senses ameliorated and on the other new inequalities established. This argument was supported by data from the 1977 *Royal Commission on the Distribution of Income and Wealth* that showed that the extension of home ownership in Britain altered the distribution of wealth and thus to some extent reduced existing inequalities. Murie and Forrest made

the point however, that at the same time the potential for housing wealth inheritance was set in place, which itself would allow for the new inequalities to develop. The final section of this paper was important in that it set up a possible research agenda in the area of housing wealth inheritance by speculating on some of the effects property inheritance might produce. These included: the possible trading up of housing which could lead to house price inflation; a possible increase in the importance of personal and private loans between generations; the growth of multiple ownership; the investment of the inheritance in such financial institutions as building societies which would channel funds back into the housing sector; and an increase in consumption, expenditure or savings (Murie and Forrest, 1980).

In later work Forrest and Murie (1989) moved beyond their earlier concern with the link between inheritance and social policy to a consideration of the social and spatial differentiation within the category of owner-occupation and the implications this held for inheritance. Their basic argument was that during the 1980s Britain had undergone dramatic social and economic changes brought about by such factors as the uneven pattern of economic growth and decline, rising unemployment and a broad based acceptance of the reassertion of market forces in many aspects of social and economic life. These changes resulted in the emergence of new and differently patterned sets of inequalities and privilege and a further widening and fragmentation of social divisions. For Forrest and Murie the catalyst for these social changes was the development of mass home ownership.

In their 1989 paper Forrest and Murie reflected critically on their earlier argument (Murie and Forrest, 1980) that the extension of home ownership led to a democratisation of wealth, on the grounds that the data used to sustain this position concealed the substantial and growing inequality within owner-occupation itself. As the tenure expanded it became increasingly differentiated socially and spatially, a factor which led them to suggest that relative position within the owner-occupied sector was as important in terms of wealth transference as the division between the ownership and rental tenures.

Embedded in their argument was a strong criticism of Saunders' position that the key social division is between the owner-occupier recipients of housing wealth inheritance and the non owner-occupier, non-recipients. Instead, Forrest and Murie argued that between these two extremes were a variety of possible combinations according to life cycle stage, parental tenure and estate value. Overlaying these considerations was the necessity to look more closely at the social structure of home ownership itself and important variations in the pattern and significance of housing inheritance which might reflect aspects of class, ethnicity and gender. In sum, their point was that debates regarding the social and economic significance of intergenerational transfers of housing wealth needed further careful scrutiny and qualification, if the overstatement and oversimplification of the social consequences of the housing inheritance process were to be avoided.

Munro's contribution to the debate on housing wealth inheritance was important not only because of its focus on Scotland rather than England and thus the comparative dimension it was able to add, but also because it went beyond the speculative and hypothetical and drew on some particularly useful, original empirical evidence (Munro, 1988). From her examination of official records Munro found that housing wealth was a very important feature of medium sized estates and that it was the presence, or absence, of housing wealth that marked the division between very small estates and modest estates in the overall distribution of wealth. The importance of housing as a proportion of overall estate size declined however, as the relative size of the estate increased so that in the smallest estates, on average, it comprised 86% of the wealth left, whereas in the largest estates it averaged only 36% of the wealth left. She found that age at death also had considerable influence on the size of the estate. This finding is counter-intuitive, to the extent that it might be expected that older people would be poorer through using savings to help them through their old age and to maintain their standard of living after retirement. She contended that the increasing wealth among older people was probably due to the concentration of wealth in the hands of one surviving spouse as death rates in these older groups increase. Munro found that women left smaller estates than

men, the overall mean being 20% higher for men than for women. An important conclusion Munro arrived at was that the inclusion of housing wealth in an estate constituted a major factor determining the average size of a bequest.

Munro ascertained the bequeathing patterns of the decedents in her sample who had died testate, through reading their wills. Here her major finding, not surprisingly, was that family links were extremely important in the distribution of wealth through inheritance. Again, not surprisingly, she found that the marital status of the deceased person at time of death was significant in determining bequeathing patterns. In two thirds of the cases where only one person inherited it was the spouse, in 15% of cases it was a child and a further 8% of sole beneficiaries were a sibling of the decedent. In 21% of her sample Munro found that the inheritance was shared equally among several people who had the same relationship to the deceased, usually children, but sometimes siblings. Marital status at time of death also had a large influence on the extent to which estates were dispersed, with considerably less dispersion exhibited in the estates of married people than those in the single, widowed and divorced categories. In the married group only 4% of the total wealth went to the next generation and a very small amount to more distant relatives. In the single, widowed and divorced group 57% of the wealth left passed to the next generation. This group tended to distribute wealth more widely too, giving rather more to distant relatives, to friends and to charities. Munro also found a clear gender distinction in size of estates, with men being wealthier than women. Overall, the wealthiest group of testators was single men and the least wealthy group married women. Munro also sketched out the typical path by which estates containing housing wealth were transferred between generations. Within a married couple the estate went chiefly to the surviving spouse with a small leakage to other family members. On that spouse's death it would then go to the next generation, chiefly the children. Very little went to the grandchildren and a little over one third either stayed in the same generation or was passed outside the family. Munro's empirical work on housing wealth inheritance was a timely contribution to the debate. While advanced theoretically, previous British empirical research had focused largely on wealth

transmissions within a limited group namely very wealthy men and so had little to contribute to the debate as it applied to more modest estates.

To date, the most complete study of housing inheritance has been Hamnett *et al.*'s, *Safe as Houses* (1991). As a background to their investigation of housing wealth inheritance they examined house prices and house price inflation in Britain and noted the impact these have had on personal wealth holdings and thus the composition of estates and inheritance.²⁹ Their section on equity extraction from the housing market is particularly useful. In it they noted that inheritance is only one way of releasing equity built up in a house, albeit a way of real significance, given their estimation that housing inheritance accounts for an estimated 40% of the equity withdrawn from the housing market every year.³⁰ They claimed however, that even if substantial equity was released during an owner's lifetime, a considerable asset would still remain to be inherited and used for consumption goods or for investment. From here they developed a novel position on the state's actions in relation to housing wealth inheritance. They argued that while the growth of mass home ownership brought about a reduction in the dependence on state provision for a very significant proportion of the population, the state itself had created and still had to maintain the conditions for the extraction and creation of property wealth. This could be achieved through such policies as ensuring interest rates were kept artificially low or tax relief for mortgage holders. So while it might appear that dependence on the state and thus the role of the state in housing had been reduced, what in fact had occurred was merely a reorientation of the state's role in housing.³¹

²⁹ They showed, for example, that in 1960 dwellings accounted for 17% of personal wealth, in 1974 this had risen to 37% and by 1985 to 48%. By the late 1980s housing wealth was the single most valuable element in inheritance, particularly within the middle range of estates.

³⁰ Other ways include capital leakage by, for example, increasing a mortgage to acquire disposable income or equity release schemes and reverse mortgages.

³¹ They do not discuss the issue of whether home ownership is desirable for all people. There is almost a taken for granted acceptance that home ownership is a universally desired tenure.

A further feature of Hamnett *et al.*'s research was their demonstration that the incidence of inheritance was not random, but had strong class, tenure and geographical biases which were cumulative in their effect. They found that owners were six times as likely to inherit as council tenants and professional and managerial households were four times as likely to inherit as households headed by semi-skilled, unskilled or unemployed people.³² Equally stark were the geographical biases, which reflected differences in tenure structure among regions. For example, they found that people living in the South East of England (excluding London), had four times the chance of inheriting as people living in Scotland, three times the chance of those living in Yorkshire and Humberside and almost double the chance of Londoners. In their final chapter which speculated on the future of housing inheritance, they suggested that equity release schemes and the development of a range of new housing options for the elderly would have implications for the equity already built up in a property and thus for the potential of housing wealth inheritance. They also suggested that although housing wealth inheritance will be enjoyed by an expanding proportion of the population, these benefits will be by no means equal across all inheritors and that people will inherit in different ways and use their inheritances differently. They also discussed such countervailing trends to the expansion of housing wealth inheritance, as increased incidence of equity extraction from houses, shifts in attitudes towards property ownership and inheritance and changes to tax laws. *Safe as Houses* concluded by stating that the full potential of housing inheritance in Britain will be realised only in the next three decades, once Britain has become a nation of home owners.

While the work of Hamnett *et al.* focused rather narrowly on the issue of the inheritance of housing and housing wealth, a more recent publication edited by Forrest and Murie took a more expansive view in its examination of the 'different elements of the relationship between housing and wealth' (Forrest and Murie, 1995b: 1). In their introductory chapter the editors explain that the purposes of the text were threefold: to provide an international perspective to the debates on the relationship between housing and wealth; to analyse the

³² To make these claims Hamnett *et al.* used an occupational scale as an indicator of class.

relationship between housing and wealth more sociologically, by examining the embeddedness of the relationship within the social structures in which it occurs; and to help establish connections between the sociology of housing and the sociology of the family, thus making explicit connections between the formal and informal aspects of housing provision (Forrest and Murie, 1995b: 3). Drawing on the work of a variety of authors across a range of disciplines, the chapters in this text go beyond the 1980s focus on the financial gains and losses sustained by home owners in the owner occupied market and examine the hitherto somewhat neglected area in the housing wealth debate of the wider social relations involved, and in particular, the familial context in which home ownership develops and operates.

My own work in this thesis lies very much within the orientation developed by Forrest and Murie in this text. My concerns too were with the need to move away from the ethnocentric, British tone of the debate through developing a comparative dimension. I have also been influenced by a range of work emanating from disciplines other than sociology and have drawn on work from anthropology, economics, social policy and law. I have also attempted to overcome the macro/micro dichotomy by developing a theoretical perspective and methodological approach that takes both into account. In this latter endeavour Finch and Hayes (1994) have also been influential, focusing as they do at the micro level on the social meanings associated with the passing on of houses as part of the process of inheritance after death.

A literature review on housing wealth inheritance is not complete without some acknowledgement that social scientists have not been the only commentators on the topic. British Politicians have been keen to point out the perceived positive outcomes that housing wealth inheritance could bestow. Throughout her time as Prime Minister, Margaret Thatcher made frequent references to the benefits of extending home ownership to all groups who would then be able to hand something on to their children and grandchildren. The financial press and financial magazines too frequently commented on the issue (see Hamnett *et al.*, 1991; Shapiro, 1994). The importance of housing wealth inheritance has also

been noted by financial institutions. For example, in a 1987 issue of their *Economic Review* the British merchant bank, Morgan Grenfell quantified the extent of housing wealth inheritance in Britain and speculated on some possible impacts of housing inheritance on the financial sector. They estimated that at 1986 rates approximately 155,000 dwelling units per year would be inherited at a value of approximately £6.8 billion.³³ Taking age of owner and occupation rates into account, they then estimated that the average lump sum inheritance from owner occupied properties at time of publication would be slightly over £17,500, an amount considerably higher than the average household disposable income of approximately £11,000 per annum. Their research suggested that the typical timing of inheritance meant that it was likely to deliver a large lump sum payment close to retirement. As a result, additional pension plans or traditional life policies that required a steady payment and were often not accessible would be unlikely to benefit from inheritance. Instead, they found that most inheritors chose to invest in unit trusts, company securities and more flexible life policies, which were perceived as having the advantages of easy accessibility and high returns. Other likely financial consequences of the intergenerational flow of inheritance noted were that financial wealth would become more widely dispersed, the ratio of equity in housing to financial assets might swing back in favour of financial assets, which in turn might depress the relative price of housing compared with that of financial assets and the demand for mortgage borrowing might be stimulated by the process of people borrowing to buy inherited houses to which no mortgage had been previously attached.

The key points to emerge from this literature review can be summarised as follows:

1. Housing wealth inheritance first arose as an issue of more than passing interest for the social sciences in Britain and although it has been commented on quite extensively by politicians, the popular press and financial institutions, it is still recognised as a question in the social sciences that remains relatively under-researched.

³³ All reference to pounds in the Morgan Grenfell publication was to 1986 pounds.

2. Housing wealth inheritance becomes an important issue only in the context of mass home ownership which allows for diverse groups of people to accumulate wealth which they will eventually pass on. In Britain the extension of owner-occupation to all social classes began gradually after World War 2 but developed more quickly under the ideological position adopted by the Thatcher government, one component of which was a determination to sell off council housing (Forrest and Murie, 1988). The high rate of house price inflation from the beginning of the 1970s to the later years of the 1980s strongly influenced the size of a possible inheritance so the potential for relatively widespread housing wealth inheritance has been a recent phenomenon. By comparison, New Zealand has a much longer history of mass home ownership, but like Britain, regional housing markets in New Zealand have been affected differentially by periods of high house price inflation, which has implications for housing wealth inheritance.
3. In Britain the inheritance implications of widespread home ownership have been recognised only recently as buyers in the immediate post-War period are dying and leaving their property to the next generation. As yet the occurrence of housing wealth inheritance is much less common than it is in New Zealand.
4. There have been three key shifts within the development of the debate on housing wealth inheritance. The first is the shift from speculation and conjecture to a much greater use of empirical data to support positions in the debate. The second shift is one from looking at home ownership as a homogeneous tenure and focusing therefore on the divisions between, on the one hand home owners and inheritors and on the other hand, non-home owners and non-inheritors, to a view that home owners and inheritors are highly differentiated groups. The third is the shift away from a narrow focus on the economic aspect of housing wealth

inheritance to a consideration of the social relationships involved in inheritance, particularly family and other intimate relationships.

5. Housing wealth inheritance links into wider debates in a variety of areas such as stratification theory, urban sociology and social policy.

1.5 Structure of the Thesis

The thesis is structured as follows. Chapter 2 discusses in a general way the approach that underpins the research for this thesis and attempts to present an account of the research process itself that captures the nature of the process of 'doing sociology'. I follow this with a chapter which acts as a backdrop for part of the thesis in that it examines the issue of wealth in New Zealand. There are two major reasons for including such a chapter. First and most importantly, it makes the point that wealth is best understood contextually. What counts for wealth, how it is defined, who defines it, who can own it and why some components of wealth are more or less widespread than others are important issues in an analysis of wealth and need to be examined within a contextual framework. My discussion of traditional Maori views on wealth and wealth ownership demonstrate these points. Second, this chapter highlights the paucity of good, reliable New Zealand data on wealth and its distribution which, as a number of commentators have pointed out, is largely due to the problems associated with measuring and estimating personal wealth. Finally in Chapter 3 I survey the work of three major contributors to the issue of wealth distribution in New Zealand. Taken together, their work provides an analysis of wealth distribution from 1870 to the present day.

Chapter 4 moves from the general discussion of wealth distribution in New Zealand to a more focused analysis of deceased persons' estates, the estates that are passed on through inheritance. The chapter provides a general picture of the value and make up of probated estates in New Zealand from 1980 through to 1992. I begin the chapter with a discussion of the problems faced when dealing with deceased persons' estates data. The main body of the chapter is an attempt to move beyond the issue of inheritance and non-inheritance to show

that estates vary significantly in terms of their make up and value. The issue of the differences in estate values according to gender is also examined.

Chapter 5 comprises an original analysis of a sample of transmissions (properties passed on at death), and thus focuses specifically on housing property. The data on which this chapter is based were gathered primarily from the Christchurch, New Zealand Land Titles Office, but augmented with data from Death Certificates, which help build up a profile of the deceased persons in my sample, and from Valuation New Zealand which provide extra information on the properties transmitted. Two key questions are addressed in this chapter. The first, 'who' leaves housing wealth focuses on the characteristics of the decedents in the sample in terms of sex, age at death, marital status and number of children. The second question, 'what' is left focuses on the property itself and looks at the value of the property, whether a mortgage was held over the property and whether or not it was sold after transmission. By putting together the 'who' and the 'what' of housing inheritance this chapter provides a solid empirical basis from which to explore the issues of who benefits from housing inheritance and to what extent.

Chapters 6 and 7 take a different turn and provide an analysis of the wills read as part of this study. At the broadest levels these chapters address a fundamental sociological debate: the connection between the social and the personal. My concern throughout the thesis is to 'transcend the false antinomies of social science', so rather than view the social and the personal as oppositional modes my perspective is to make clear the connections between the two. I use wills as a vehicle through which I can accomplish this intent and show that while will makers might experience the writing of a will as an act of great meaning to them as individuals, wills are every bit as much social documents as they are personal documents.

Chapter 6 is an examination of the practical workings of inheritance through an analysis of the bequeathing pattern of wills. It shows, as one might expect, that inheritance is very much a family affair, which reflects the relationships and

context in which decedents have lived their lives. Thus married people tend to leave their estates to their spouses and widowed people leave theirs to their children. The predictable quality of bequeathing patterns tends only to be abrogated in the wills of decedents who have neither spouse nor children.

Chapter 7 provides another point of departure from which inheritance can be studied and focuses on the special gifts left in wills. By special gifts I refer to the material goods apart from cash and a house that are left in wills in the form of special bequests. In this chapter I argue that the giving of these gifts reveals much about the way people use material goods to make meaningful their connections with one another. This chapter also demonstrates that the giving of special gifts is a strongly gendered activity.

Chapter 8 is a thematic extension of the previous chapter, but rather than referring to special gifts it examines the concept of special monies and applies this concept to the issue of inheritance. Special monies can be defined as monies that are held by specific people, allocated, controlled and used in specific ways and that hold different meanings. The utility of the concept of special monies is that it proposes a model of money that draws attention to money's social basis and highlights the idea that money and its use is shaped by values and sentiments. The concept offers the basis for developing a critique of the utilitarian perspective on money, which is currently dominant in economic theory and which also underpins the general understanding of money evident in mainstream sociology. The concept has further utility in that it can deepen our understandings of the nature of the most enduring and intimate of family and personal relationships and thus shed light on some of the key issues that concern contemporary sociologists: issues to do with the nature of the self and the construction and expression of identity. The point of departure in this chapter is the extension and criticism of the narrow nature of the concept of special monies in its present framing, to show how a special money, in this case inheritance money, does not in itself possess an essential quality, but can be treated in a variety of ways. The inclusion of interview material in this chapter highlights the way that inheritance money can be framed in the context of

ongoing family relationships which allow the enactment of being, for example the good son who repays his parents' concerns with an almost sacred treatment of his inheritance, or the son who repays what he sees as the indifference of his parents in their relationships to him, with a similar indifference to the inheritance they left.

Appendix A comprises a selection of the interviews conducted as part of the research for this thesis. These interviews have been chosen specifically because they highlight one or more specific features that have been incorporated throughout the thesis chapters.

‘DOING’ SOCIOLOGY: COMMENTS ON RESEARCH PRACTICE

2.1 Introduction

It is common practice in theses that the author provide a chapter outlining the methodological approach taken in the study. Unfortunately it is also common that such chapters turn out to be little more than a discussion of the research methods used when gathering thesis data.¹ While I am not disputing that all researchers should be able to defend their choice of methods, describe unambiguously how they went about attaining and analysing their data, and set out clearly the problems associated with their chosen methods, I believe it is more useful that a chapter such as this should not be limited to, nor even necessarily include this type of discussion. In fact in this thesis which emphasises a diversity of methods, I have chosen to provide an in-depth discussion of the various methods used in the relevant chapters throughout the work. Freed up from the obligation of discussing methods as such, this chapter now offers me the opportunity to comment on my research practice in this study and the general approach to ‘doing sociology’ I have taken in this work.

I see the purpose of chapter as twofold. First and foremost, it should stress the intrinsic connection and integration of theory and research. Put another way, this translates to an examination of the theoretical approach that underpins the entire research process. Second, it should also present an account of the way the research developed that captures the nature of the process of ‘doing sociology’.

¹ The tendency to focus on methods rather than the broader areas of research practice and methodology could very well reflect the emphasis that has been placed (at least until the recent past) on techniques, rather than methodology as such (Bryman and Burgess, 1994: 1).

In other words, it should transcend the clinical, text book type exposition of research as seldom, if ever, does research in the real world operate in the way the models in text books suggest. It should also transcend the common trap of equating methodology to methods which often results in research being presented as little more than ways of solving 'technical' problems. This chapter will endeavour then to be my 'research biography' (Hammersley and Atkinson, 1983: 19). It will be personal, honest and self reflective. I hope it will be neither precious nor self indulgent.

The remainder of this chapter represents my attempt to address the matters outlined in the paragraphs above. In the following section I discuss the research concerns that underpinned my approach to this thesis. Drawing largely on the work of Pierre Bourdieu (1977, 1984, 1988) I focus on the connectedness of the components of 'doing sociology' in terms of my concern to transcend the dichotomies which still frame the way much contemporary sociology is conceptualised and practised. In Section 2.3 I make some general comments to do with the constraints and possibilities faced in the process of doing sociological research and follow these with relevant examples taken from this study. Section 2.4 offers some reflections on my role as researcher. The particular emphasis in this section is on the impact of the use of multiple methods in terms of shaping both my role as researcher and the way I related to the empirical material I gathered for this study. In effect, I discuss my role within the methods.

2.2 Methodological Approach: Transcending Dichotomies

In the previous chapter I discussed the formulation and reformulation of the questions that drove this thesis and noted that it was impossible to examine issues of housing wealth inheritance without delving further into the wider question of inheritance *per se*. I noted that in part, the expansion of the initial questions was driven by the literature in certain fields as well as by the absence of literature, which in itself raised issues that were examined at some length. Question formulation and reformulation was not however, a process that developed at a distinctly theoretical level. Rather it was intrinsically influenced

by the approach to research practice underpinning this thesis, which took as central a concern with the connectedness of the sociological enterprise. By this I mean the concern that sociology move beyond an approach shaped by an acceptance of such dichotomies as theory and method, macro and micro, qualitative and quantitative, or a view of knowledge as 'disciplined', in the sense of being restricted to such discrete fields as sociology, anthropology and economics, set up almost as if in opposition to one another.

Question reformulation was also shaped by the 'context of discovery' (Hammersley and Atkinson, 1983: 21) in which the data gathering processes for the thesis took place as well as by the nature of the material gathered. In part, the process resulted from a pragmatic need to develop a means of gathering useful comparative material, given that the usual means of studying inheritance through the analysis of individual probate records was denied to me (see Chapter 5.2). In part too, the process was formative in nature. That is, it evolved gradually as further possibilities emerged from my reading and from my attempts to theoretically conceptualise my study. In turn, the data themselves threw up important questions that required a theoretical analysis.

There is no implication however, that the process of question formulation and reformulation was one that I dealt with in a clinical or detached manner. I was never standing outside the process, but at all times immersed in it, mediating the process as I moved backwards and forwards between theory and data. Nor was question reformulation simply a matter of either further reading or more sophisticated data analysis which resulted in a kind of orderly, linear process of question readjustment. The process of question reformulation was far more chaotic than that, involving all manner of phenomena from flashes of insight and clarity which allowed me to hold a coherent overview of my study, if for only brief periods, to months of tedious data gathering and hard graft learning the intricacies of computer data bases and spread sheet programmes which all the while allowed me the time to reflect on my task. Yet the very act of writing about the process as I am doing for this chapter tends to suggest an order that was certainly not apparent at the time.

Amid the seeming chaos however, I was aware that the process I was going through was one that brought with it a gradual sense of order as it evolved. Yet on reflection, even this portrayal of the process of thesis creation as one from chaos to order is too neat. Perhaps a more useful way of capturing the idea I wish to convey, is to perceive chaos and order not as dichotomous entities with one phenomenon preceding the other, but rather as loosely linked moments of the same process, with sometimes one and sometimes another moment of the process in ascendancy. It is however, the attachment of the two moments which allows for the development of researcher reflexivity, the key mechanism which enables the researcher to take hold of her project and set it in sufficient order for it to be finally presented.

I conceive of reflexivity as the ability to move between data and theoretical questions, at the same time as being immersed in each. That is not to suggest that reflexivity is a detached process. It is however, a conscious process. In general, reflexivity can be characterised as an attitude that allows the researcher to be flexible and creative. It allows her to go with the flow, but also pick up on and investigate new ideas, even tangents. It allows her to wallow in chaos but also shape her project in an ordered way and it also allows her to be driven by theoretical questions, findings from data, serendipity and pragmatism at one and the same time. The recognition that reflexivity involves the idea that 'we always remain part of the social world we are studying' (Tolich and Davidson, 1997), we are always 'in' our research means that it is necessary in any piece of research to make the researcher role explicit.

While I have characterised the process of question reformulation as being somewhat chaotic, the same cannot be said of the data gathering process for this thesis which followed a logical and ordered sequence which, in turn, shaped the sequence of the chapters of this work. Data gathering began with a statistical analysis of a large data set of official statistics on deceased persons' estates. This was followed by a case study of a sample of housing properties passed on at death taken from the Land Titles Office in Christchurch for the year 1989. The

case study, which forms the basis for the empirical work in chapter 5,² involved amassing data from a variety of public records and entering these data into a computer database programme for analysis. The next step in the process entailed the analysis of wills from which I was able to examine the issue of bequeathing patterns and discuss the question of the special gifts bequeathed in wills. Wills aided in my identification of a sample of inheritors which led to the final element in the data gathering process: conducting 20 in-depth, loosely structured, conversational type interviews with inheritors of housing wealth.

The methods used in the process of data gathering were varied, and could be described in broad terms as both quantitative and qualitative. Sections of the thesis therefore do ask questions that elicit responses that come packaged as numerical statements. Other sections of the thesis however, are concerned with interpreting and understanding people's experiences. During the data gathering process I was perfectly well aware of the traditional methodological debates which view qualitative and quantitative research methods as belonging to distinctly different paradigms or worldviews (Layder, 1988; Tolich and Davidson, 1997). I was however, concerned to transcend that position, not simply for pragmatic reasons, but from the point of view that such a dichotomous approach is not only unhelpful, but downright dangerous. My key influence in this regard was Bourdieu (1977, 1984, 1988).

Long before I was aware of the excellent feminist critiques regarding the implications for gender relations of the all pervasive pattern of dualisms or dichotomies in western thought, which privileges perceived superior masculine characteristics and then defines feminine characteristics as inferior and by comparison lacking (Jay, 1981; Jaggar, 1983; Sydnie, 1988; Pateman, 1989; Gatens, 1991), I was strongly influenced by Bourdieu's call to transcend the 'false antinomies' of social science. In these he included the dichotomies of theory/method, object/subject, idealism/materialism, mind/body, micro/macro, consensus/conflict, qualitative/quantitative and the oppositions between

² The original data files developed for Chapter 5 provided me with the necessary information to extend my research through to the material on wills in Chapters 6 and 7, Chapter 8 which deals with the issue of 'special monies' and the interview data in Appendix A.

disciplines which he described as ‘profoundly harmful to social practice’ (Bourdieu, 1988: 778). In particular I took seriously Bourdieu’s statement that:

... true scientific theory and practice must overcome this opposition by integrating into a single model the analysis of the experience of social agents and the analysis of the objective structures that make this experience possible (Bourdieu, 1988: 782).

On the one hand, Bourdieu’s position views objective structures as providing the foundation for, and setting the constraints through which social interaction is influenced and shaped. On the other hand, his position takes as equally important the everyday accounts and understandings given by individuals in their attempts to transform or preserve these objective structures. Bourdieu views these two ‘moments’, the subjectivist and the objectivist as not discrete, but as standing in a dialectical relationship. To take the argument a little further and to capture the dialectic of objectivity and subjectivity, it is necessary to introduce the concept of ‘habitus’. Habitus is Bourdieu’s way of overcoming the dichotomy between structure and agency. It is his way of linking individuals and social action to social structure via the implementation of strategies, with neither structure nor agency unfettered and with each influencing and acting upon the other. What is so profound about this concept (and so useful for this thesis) is that it can be used, as Bourdieu himself does, as a critique of rational action. The relevance for this thesis is that Bourdieu’s theoretical position puts forward a very different view of social action from that which underpins neo-classical economics. Action, in Bourdieu’s schema, is not driven by self interest and self maximisation and human beings are not depicted as atomised, rational individuals. From a neo-classical perspective inheritance behaviour is something of a puzzle. Why would rational actors, driven by self interest want to leave their wealth to others? From a Bourdieuan perspective inheritance becomes much less of a puzzle as further explanation will show.

Bourdieu claims that even when practice appears as rational action to the outside observer, who has all the necessary information to reconstruct it as such,

rational choice is not the principle which drives action and it is here that Bourdieu's concept of habitus comes into play. To explain habitus in a concrete way Bourdieu refers to the action of a tennis player. In his words he asks us to:

[c]onsider the case of a tennis player who suddenly "decides" to rush the net ... to understand that action has, in practice, nothing in common with the "theoretical" (*theorin*, it may be recalled, means to see, to contemplate) reconstruction of the play by the coach or the TV commentator after the game (Bourdieu, 1988: 783).

The example highlights the point that in practice, rational calculation simply does not take place. Yet even if we accept that premise we are still left with the problem of why people, more often than chance would predict, "do the only thing that is to be done". Bourdieu's answer is that human beings have a practical sense of the social world because for their entire lives they have been subjected to conditions similar to the ones they are in at any given time. Hence, as Bourdieu points out, the tennis player does not decide to go to the net because she knows that rationally it has been shown to be the highest percentage action after say, a series of five volleys. She goes to the net because it feels right, a sense which has been developed over years of coaching, training and playing, after years of being immersed in the game to the extent that she follows the action because somewhere engrained within her is the sense that it feels right to do so. The tennis player example can be extended to describe the way human beings apply their practical sense of the social world not only in all their actions but also in all their ways of being. So Bourdieu is able to explain the dominant class' appearance of being distinguished as simply because their habitus, as a 'socially constituted nature', which has adjusted to the inherent requirements of the social and cultural game. So their appearance of distinction is no more than them being themselves.

Bourdieu's insights can be applied quite readily to the issue of inheritance. We shall see in Chapter 6 for example, where the analysis of bequeathing patterns from wills shows that by and large people do 'play by the rules of the game'

when it comes to inheritance. Even taking account of the legal context that frames intestacy in terms of a family affair, we will see that when people make their wills they most often ‘do the only thing that is to be done’. That people understand the rules of the game is highlighted by those who do not follow the rules. Rare as they are, the writers of these wills tended to offer explanations as to why the rules were not followed. One fascinating aspect to the examination of bequeathing patterns of wills is the way the rules of the game are followed despite the widespread societal belief in the notion of the freedom of the individual which, extended to the context of will making, becomes testamentary freedom. The interview material in Appendix A further endorses this position.

Bourdieu’s utility for this thesis goes beyond that of his theoretical work to include as well his methodological approach. Again we turn to his call to ‘transcend antinomies’. In this case it is the antinomy that separates qualitative from quantitative methodologies. Throughout my crafting of this thesis I have taken seriously as an exemplar for ‘doing sociology’ the model Bourdieu provides in his text *Distinction* (Bourdieu, 1984) of not only combining objectivist and interpretive accounts, but doing this in a way that is constantly reflexive and therefore bringing together his data, whatever its source, in creative and readable ways which use graphs, tables, models, photographs, comments from interviews and conversations and textual analysis.

2.3. Possibilities and Constraints in the Data Gathering Process

Seldom in sociology is empirical research carried out in ideal conditions. Leaving aside the question of the personal skills and proclivities of the researcher and the way in which these factors shape the approach to, and outcomes of research, it is almost without exception that empirical research is carried out within a set of constraints. Time and finance are major constraining factors that face almost all empirical researchers (McNeill, 1990), but it is generally recognised that different methodological approaches tend to face different types of constraints.

For research which is quantitative in nature (or like my research which has a strong quantitative component to it) and which also makes use of secondary data,³ the researcher is often constrained in her approach because of the nature, form and availability of the data on which she bases her analysis. When secondary data such as official statistics and public records are used in research, it should be recognised that such data are not transparent, but are themselves social constructs and should be treated as such. Such data have been collected for a purpose which, by and large, reflects the requirements of the state. As a consequence the assumptions made regarding the type of data collected and the techniques used in its collection and production are necessarily shaped by political exigencies (Thorns and Sedgwick, 1997). Therefore questions should be asked regarding the problematic nature of these data: the researcher should look carefully at the method(s) by which they were collected and the definitions used and categories developed in their production.⁴ Throughout this thesis I have attempted to set out in full the limitations of my research that are a consequence of my use of official statistics. For example, when analysing deceased persons' estates (see Chapter 4), I was acutely aware that the apparently 'transparent' official statistics on deceased persons' estates, would likely 'hide' some components of very wealthy estates, through such manoeuvres as the formation of companies or family trusts, or through the *inter vivos*

³ The distinction between primary and secondary data is simply that primary data is collected by the researcher first hand from interviews, participant observation and surveys and as the terminology implies, secondary data has already been collected and processed, for some other purpose, by some other individual or agency. It is therefore derived from a secondary source. Official statistics, public records, private records like letters and diaries and texts (in the postmodern sense) are examples of secondary data sources.

⁴ There is much debate in sociology regarding the reliability and validity of official statistics. Nowhere is it played out more strongly than in the sociology of deviance. The debate can be seen as the clash between two positions. In the first position it is argued that with the appropriate methodological strategy and care in interpretation, official statistics can be used to measure the phenomenon in question. Durkheim's work on suicide is the classic exemplar of this position (Durkheim, 1952). From the second position it is maintained that statistics themselves cannot be separated out from their method of collection and tell more about the definitions, classifications and methods of recording by officials than they do about the phenomenon under study. Kitsuse and Cicourel (1963) were the first to put forward this position by recognising the failure of sociologists working within the sociology of deviance to distinguish between the social conduct which produces a unit of behaviour (the behaviour-producing processes) and what they term the rate-producing processes, the processes through which the unit of behaviour is defined, categorised and thus turned into a rate of 'real' deviant behaviour. (For a full discussion of the issue see Hindess, 1973; Eglin, 1987)

transfer of wealth. While these manoeuvres are strictly legal, the fact that they cannot be accounted for in the official statistics on deceased persons' estates does have implications for the inferences that can be made from my secondary data analysis.

The issue of the social construction of official statistics and public records can also constrain researchers in terms of the inferences they can make from these data because of the forms in which the data themselves are categorised and reported. My analysis of deceased persons' estates data was constrained in this way. Unlike the British data which listed residential property separately from other property, in the New Zealand statistics residential property is subsumed under the category of real property. While it is safe to assume that a large percentage of the property that fell into this category was residential property, there was no way of knowing the exact amount. For my purposes therefore, real property became a proxy for residential property. In other words, I was forced in this instance to 'make do' with a category that was close to, but not precisely what I wanted. In addition, there was no way I knew of with which I could estimate the extent of muddiness in the category I was using, but had not myself constructed.

One intention of my research was to provide a comparative dimension to the debate on housing wealth inheritance. In practice, comparative analyses using official statistics can be problematic given the changes to official statistics that can occur over time and the cross national variability that exists not only in the type of statistics collected but also the methods used for collection. For a variety of reasons officials decide certain statistics that have been kept routinely no longer need to be kept, or a researcher may come upon what at first appears a rich vein of information only to find it goes back for a limited number of years and the interesting historical analysis she hoped to develop could therefore not eventuate. Further frustrations arise for the researcher wishing to make cross national comparisons when she finds that the type of data that is gathered in some countries is either not gathered elsewhere, or is gathered but access to it denied for all but 'official' purposes.

While constraints are generally considered as limiting factors on the possibilities for research, they need not always be so confining. Constraints may operate to shape research in certain ways that were not necessarily considered in the original research design, but which can result in positive outcomes. For example, as a research project progresses it is quite possible that strategies taken to overcome certain sets of difficulties initially faced may turn out to offer unexpected possibilities. In this way the initial constraints may have the effect of opening up new ways of thinking about the original issues and questions, acting as a catalyst for a more creative approach to the research. As I discuss in Chapter 5, a major difficulty I faced when planning this thesis was lack of access to probate records, which have typically formed the basis for all major studies on inheritance, but which in New Zealand are covered by a secrecy clause in the Inland Revenue Act of 1974. Because access to these records was denied me I was forced to choose an alternative path to obtaining an original data set that would allow me to contribute to the debates on housing wealth inheritance. The data I gathered originated from transmission documents that applied to housing property passed on at death. Augmented by an array of data gathered from a number of other official documents, I was still able to develop a piece of research that fulfilled my initial goals while still being innovative and original in its own right.

2.4 The Changing Researcher Role

I have approached the writing of this thesis in the manner of a narrator, telling the story of this research as it has unfolded and as far as possible offering explanations for the ways I went about planning and carrying out my work. As narrator, I appear sometimes as peripheral and sometimes as central in the text, which in large part reflects the particular nature of the material I deal with in the various chapters. In the process of carrying out the research for this thesis, I was very aware of the impact on me of using a research strategy incorporating multiple methods. As I was working there was a sense in which the various methods I used and the different types of data offered up for collection, shaped

my role as researcher, the way I related to the data and the way I wrote about my project. When producing and writing up the analysis of deceased persons' estates for Chapter 4 I felt, to some extent, disconnected from the material, although the analysis produced from these data proved very useful in the overall development of the project, as it established some general features of the fundamental place of housing within deceased persons' estates and became a neatly woven backdrop for the material in later chapters. On reflection, I think this sense of estrangement came about because of my role in this analysis. I was the numerical manipulator of aggregate numbers, numbers that represented disembodied categories of people, not 'real' people to whom I could relate. When working through these data therefore, it seemed appropriate to write about them in a more detached style. As a consequence, Chapter 4 tends to read as though no people were involved, only categories; like females whose estates fell into the top 10% of estates, or males whose estates fell into the lower 20% of estates. I too seem similarly remote from the text.

I did not however feel that sense of disconnectedness to the data which form the basis for the rest of the thesis. As I was working through the transmission files and other related documents, I felt very much like an investigator piecing together sections of a puzzle, gradually, bit by bit, until the final, completed picture emerged. In the process too there was a sense in which the 'cases' which made up the simple random sample became embodied and turned into people who had had relationships, families and who had owned property which had meaning for them. For example, even the objectified nature of the public records from which I retrieved much of my data, could not hide the tragedy of the young father killed in a car crash, or the suicide told by means of the legal pronouncements made so that the decedent's property could be disposed of. But the lives which took a more 'normal' path came through as equally vivid and I was no less engrossed by the situation of the elderly couple who had lived in only one house all their married lives, brought up children in that house, and on the death of one spouse the other spouse remained living in the house. I felt my own ability to gaze appreciatively at the 'lives' of these people was aided by my own background and knowledge as an insider in the world I was studying. For

all my earlier years and for a fair chunk of my adult life I had lived in the same environment as the people in my study. I knew the streets they lived in, the suburbs they came from, the kinds of houses which they would have owned and from such details as age and occupation, I had little trouble in slotting people into the mental picture I was building up. Not only that, inheritance had been part of my family experience and was an experience that had happened in the lives of a number of my friends and acquaintances. Through the process of data gathering I was acutely aware my experience of life (or as Bauman (1990: 10) put it, 'that raw knowledge that saturates the daily life of each one of us') was the basis for my understanding of the topic I was studying.

Imperceptibly the balance changed as I moved on to the next stage of my research: the reading and analysis of wills. During this stage my role was less proactive and more subdued. I read and analysed wills as part of my research in order to ascertain the details of wealth flows, particularly intergenerational wealth flows. Initially I was interested in finding out basically 'who got what' in terms of material benefits from the will. So my initial intention when I began to read wills was to ensure that my data collection method was functional and the form I had devised for recording the data adequate. Very soon however, I realised that wills were fascinating documents not only for what they could disclose about the way that property was divided but also for what they were able to reveal about the social relationships between will makers and their families and friends. As I went through the process of reading wills I came to the conclusion that while appearing neutral wills are in fact social documents. Although many wills are written in such a way that they say little about these matters, other wills are written in ways that show that these documents can be used as a means through which people construct their identities and relate to others. After completing this part of the data gathering for the thesis I was able to conclude that wills are a means through which people communicate meanings to each other and make sense not only of their own lives and their place in the world, but also of what is going on in the social world around them. The passing on of property through bequests is an eloquent means through

which certain social relationships are marked as meaningful. Chapters 6 through 8 examine the data from wills.

The final phase of the data gathering process comprised twenty in-depth interviews with inheritors whose inheritance was made up of at least some housing wealth. The interviews were loosely structured in that I had prepared an interview guide aimed at eliciting two types of responses. The first type of responses could be categorised as straightforward, even incidental. These responses were to such questions as the monetary value of the inheritance, whether the inheritance also contained bequests other than those of a monetary value and how the inheritance was handled. The second type of responses were deeper and more reflective, relating to participants' understandings and experiences of inheritance. These responses were to alternative scenario questions such as the question asking participants whether they would have used the money in the same way if it had been a Lotto winning rather than an inheritance, or to situations or events I described. One example here came from my own experience while travelling in the United States of seeing a bumper sticker on a large camper van in Yellowstone National Park which read, 'We're spending our children's inheritance'. Describing the bumper sticker gave me a way of addressing such issues as feelings of family obligation (or lack of obligation), with regard to inheritance and changing attitudes towards inheritance between generations. While all the interviews covered the topics on the interview guide, there was no set format in which I asked questions. My approach to the interviews was not as a series of question and answer sessions, but as conversations which I guided along certain paths from time to time but which, by and large, were the participants stories of, and reflections on, their own and others' experiences. I was definitely interested in canvassing certain issues, but more interested in gaining access to and understanding the way the research participants interpreted and understood their experiences of inheritance. Edited transcripts of a selection of the interviews are included in Appendix A.

2.5 Summary

The aim of this chapter has been twofold. First, it has set out the concerns pertaining to research practice that have underpinned this thesis. In so doing it has stressed the intrinsic connection and integration of theory and research. Second, it has attempted to present a picture of the research process that formed the basis of the empirical chapters for this thesis. These aims come together as my approach to 'doing sociology'. A major influence in the development of my approach has been the work of the French sociologist/anthropologist Pierre Bourdieu. Of particular significance has been his insistence that sociologists should move on from the position that sees their discipline as one characterised by dualisms such as theory and methods, macro and micro and qualitative and quantitative or that cannot make connections between the work done by sociologists and that produced by other social scientists such as anthropologists and economists.

In this chapter I have addressed the issue of the constraints under which researchers work and paid particular attention to those constraints imposed by methods which rely on official statistics. I have argued however, that constraints need not always be limiting and may operate in such a way that alternatives are sought that can have the effect of opening up new ways of thinking about an issue and new ways of approaching the research process. I have chosen not to discuss in detail all the methods I have used to gather the data for this thesis, preferring instead to do that in the body of each chapter. I have also used this chapter to examine my role as researcher, with particular emphasis on the way that role changed in accordance with the nature of the data I was working with and the methods used to gather the data.

WEALTH IN NEW ZEALAND

3.1 Introduction

This chapter is about wealth in New Zealand. By wealth I mean any asset that has a marketable value. Frequently the term wealth invokes perceptions of luxury and riches, but in keeping with the given definition of wealth, this chapter does not focus on great wealth any more than it does on modest wealth.¹ It is intended that the examination of wealth in this chapter, will set the scene for the ensuing discussion of deceased persons' estates data, housing wealth and housing wealth inheritance in Chapters 4 and 5. I have limited this chapter to an examination of wealth in New Zealand in order to make the point that wealth is best understood contextually. What counts for wealth, how it is defined, who defines it, who can own it and why some components of wealth are more or less widespread than others are important issues in an analysis of wealth and need to be examined within a framework which takes account of specific economic, political, ideological and legal factors and sets these within an understanding of a particular historical context.

It is my intention in this chapter not only to contextualise the question of wealth, but also point to its complexity. Wealth is difficult to define and difficult to measure, and just as there are many types of wealth, there are also many forms of wealth ownership. One issue highlighted in this chapter is the discrepancy between a dominant conceptualisation of wealth which tends towards a western,

¹ Social scientists seem no less concerned with those in the upper percentiles of wealth holdings, although Davey (1987: 1) is a notable exception in this regard when she points out that '[t]o many people the term wealth conjures up images of champagne and caviar, rolls royces and resorts in the Caribbean. However, if wealth is defined as assets, then it must include all homes in which the owners have some equity, the oldest "bomb" and the thinnest savings account. By this definition most people have some wealth.'

individualistic view and a traditional Maori conceptualisation which tends towards holism and collectivity.

3.2 Concepts of Wealth: An Overview

3.2.1 *Definitions of Wealth*

Wealth can be understood as the ownership of valuable assets. More broadly it can be conceptualised as a 'command over resources' (RCSP, 1987: 7) or 'resources which are held and can be drawn upon to enhance well-being' (Department of Statistics, 1991: 19). Definitions of wealth often include a distinction between wealth and income, where wealth is described as a collection of assets, and income a flow of money over time (RCSP, 1987: 3). If income is viewed as a flow then it must be set within a definite time period. On the other hand, the definition of wealth implies a measurement at one point in time, rather than over time.

While wealth and income may be separated by definition, in practice such a distinction is blurred. Take for example the question of capital gains, which combine elements of both wealth and income. They are a form of income according to the above definition, but are derived from the sale of assets such as a house, a form of wealth² (Planning Council, 1988). In addition, wealth can be used to provide regular income when buying a business or farm, or to use a slightly less obvious example, in providing offspring with an education to enhance their life chances through the attainment of qualifications or skills that can be brought to the labour market. Wealth can also be stored in the form of stocks and shares or bank deposits to provide income in the here and now by way of dividends or interest, or stored in superannuation or other plans to provide future income.

² To further complicate matters a house can also be a form of income if boarders and flatmates are taken in for example.

3.2.2 The Acquisition of Wealth

The two most common methods of wealth acquisition are earnings, which implies (but is not restricted to) access to paid work, and wealth transfers, which include inheritance and gifts. Wealth economists debate the relative importance of these two factors in explaining the distribution of wealth and establishment and maintenance of wealth inequalities.

As Williams³ makes clear however, access to paid work and wealth transfers are not the only means by which wealth can be acquired. She claims wealth can also be acquired by:

- saving, accumulating surplus capital, or foregoing consumption;
- discovery i.e. inventing processes or products, or discovering resources;
- shifts in the relative value of assets, possibly as a consequence of inflation;
- shifts in taste, by which items with no inherent worth like cinema posters or photos of Elvis Presley, come to be identified as collectibles;
- shifts in supply and demand;
- shifts in demand for human capital, particularly skills;
- recovery of earlier held resources.⁴

It could be argued however, that by and large the means of wealth acquisition listed above, occur when access to income or ownership of at least some wealth, already exists. For example, Williams refers to shifts in the relative value of assets due to inflation, an obvious example of which is the increase in housing values due to house price inflation. The point here being that only home owners, not

³ These ideas were put forward by Williams at the Income Distribution Conference on the Distribution of Income and Wealth, organised by the Income Distribution Group in 1987 and incorporated into the New Zealand Planning Council document (Planning Council, 1988).

⁴ This category is important in this country in terms of the recovery into iwi or tribal ownership of land and other assets like fishing rights which were alienated only after Pakeha colonisation.

renters can take advantage of such a shift and achievement of home ownership is significantly correlated to labour force participation and its resultant income. Similarly, the discovery of processes or products implies access to paid work, just as the discovery of resources implies an already existing ownership of land or some other commodity. Rather than seeing the above list as alternative ways of acquiring wealth as Williams does, I suggest a more useful approach is to see these ways in relation to income and transfers.

3.2.3 Forms of Wealth

Simply defined, wealth is a stock of assets (New Zealand Planning Council, 1988: 70). Assets may take many forms but in official statistics on wealth only fungible assets, those which can be readily given a market value are included. These assets may be financial as in stocks and shares, savings accounts and bank balances or real like a house, car, works of art or land. The Royal Commission on Social Policy (1987: 7) enumerated the most common forms of personal wealth as:

1. property and real estate
2. stocks and shares;
3. farms and private businesses;
4. gold, silver, fine art, antiques etc.;
5. assurance policies which include life insurance;
6. financial assets, mortgages, debentures which include cash holdings, savings deposits etc;
7. personal effects which include cars, clothing and household items.

Consideration of this list further demonstrates the difficulty of making a clear distinction between wealth and income. For example stocks, shares and financial assets, mortgages and debentures yielding dividend payments, or farms and private businesses are assets which also provide regular income, while insurance policies can provide either a regular income or a lump sum. Other forms of wealth such as gold, silver, fine art and antiques do not provide an income but have the potential to increase in value and thus provide a capital gain. Property and real estate have a similar potential. Conversely, forms of wealth such as cars,

clothing and household items tend to depreciate over time. The Royal Commission also recognised that a broader definition of personal wealth might include such assets as the right to National Superannuation and assets that belong to all the community such as schools, hospitals and roads. Assets which fit this category are social in nature. Under New Zealand's present political regime which has privileged private, individual ownership, the importance of these assets has tended to decline.

A narrow definition of assets as either financial or real, omits from consideration forms of non-marketable wealth such as the value of entitlement to state provided social security pensions or the value of human capital. The following list of assets which comprise wealth extends somewhat the list offered by the Royal Commission in that it includes 'human capital'.

1. ownership, partnership or shares in a commercial or industrial enterprise;
2. loans, debentures, bonds, savings and insurance policies;
3. legal entitlements from trusts;
4. property, including land and buildings - this includes houses as well as commercial property and agricultural property;
5. objects of value which can be traded for money;
6. raw material for productive enterprises e.g. mineral rights and access to ownership of fishing areas;
7. human capital which includes natural talents and skills acquired through training (RCSP, 1988).

An alternative and broader conceptualisation of wealth recognises forms of wealth difficult to assess in market terms. My attempt to broaden the conceptualisation of wealth uses Bourdieu's categories of forms of capital. Wealth in its common, narrow conceptualisation is comparable to Bourdieu's category of 'economic capital', that is capital which is immediately and directly convertible into money and may be institutionalised in the form of property rights (Bourdieu, 1986: 243). Less easy to measure in market terms and thus omitted from reckoning in official statistics are assets such as sporting, musical or artistic

talents, a knowledge of cultural heritage such as Maoritanga, education and training, good health or beauty. With an expanded definition of wealth one could argue that all these qualities or characteristics are forms of wealth. Bourdieu's category 'cultural capital' can encompass such forms of wealth. Defined more simply, cultural capital refers to particular kinds of knowledge and social styles (Codd *et al.*, 1985: 12). Cultural capital exists in three states: embodied, objectified and institutionalised. The embodied state can be understood as ability, knowledge, talent, style or even speech patterns. These are characteristics that, in general, are acquired over time and/or through the socialisation process and tend to be the marks that distinguish one group from another. Bourdieu explains embodied cultural capital as external wealth converted into an integral part of the person in such a way that it appears natural and effortless. Unlike economic wealth however, cultural capital cannot be transferred instantaneously, or bought or sold. It is acquired yet has the appearance of being innate and because it is transmitted and acquired under conditions less obvious than those in which economic capital is transmitted and acquired, it frequently goes unrecognised. A second form in which cultural capital exists is its objectified state which includes cultural goods such as pictures, books, dictionaries, musical instruments or machines. Its third form of existence, as an institutionalised state refers primarily to academic and vocational qualifications.

An even broader definition of wealth than the one above, would also consider valuable environmental assets such as open spaces, water resources and tourist attractions. Ownership of such assets is generally not individual, but the individual can have access to and utilise such assets in beneficial ways. Payne (1989) suggests the following broad classification of wealth (see Table 3.1 on the following page).

There is no better way of demonstrating that the definition of wealth is open to debate than to examine traditional Maori understandings of this concept. Most current analyses of wealth are based on the assumption that wealth is concerned with fungible assets or property and an individualistic concept of ownership, but as Kupenga (1990) explains such views do not exist in traditional Maori life.

Table 3.1: Broad Classification of Wealth

A.	Financial: Cash, deposits and claims (shares, loans, debentures etc)
B.	Non-financial other than human <ol style="list-style-type: none"> 1. Tangible <ol style="list-style-type: none"> (i) Natural: environment, land, mineral resources, fossil fuel, flora, fauna (ii) Manufactured: durable structures, machinery, equipment, ornaments, stock, pastures, crops, plantations 2. Intangible <ol style="list-style-type: none"> (i) Natural: scenic beauty (ii) Other: legal rights, intellectual property, language, cultural traditions, organisational systems
C.	Human <ol style="list-style-type: none"> 1. Labour: labour power 2. Skills: function of education and health

Source: Payne (1989:11-12)

The notion of individuals accumulating wealth for their own benefit was not just disfavoured, but regarded as corrupt and if it occurred was dealt with severely. The notion of the ‘man of property’ (sic), so powerful in European philosophy, was inimical to a traditional Maori world view. According to Metge (1994: 6), there is no one word in Maori that covers the same range of meanings covered by the English term property and she notes that Ngata’s Maori-English Dictionary gives four words for the concept, three of which - rawa, taputapu and utauta - refer specifically to portable property but are not applied to land or natural resources. A fourth term taonga means ‘anything prized’, or a treasure.

Metge observes that in Maori thinking land is distinguished from other kinds of property and given a distinctive category reflecting its mana. The belief is held that land existed before the existence of human beings, that human beings did not create land and that land will outlast humans and their artefacts. Furthermore, the unique position of land in Maori cosmology is reflected in the view that land

cannot be either 'owned' or dominated by human beings. In fact the Maori way of saying someone 'owns' a piece of land is to say that they have a relationship to it: people belong to the land as much as the land belongs to them. Land is a taonga. However, the term taonga has a wider application than just land. Metge refers to a Maori text written in 1840 in which the term is applied not only to tracts of land but also to goods, women and fighting. She notes that traditionally the word would have been applied to such goods as cloaks, ornaments, weapons, carvings, canoes and carved houses prized for their fine quality, beauty, craftsmanship and origin. Today, other items like photographs of ancestors would be added to the list of taonga. The term taonga also covers intangibles like knowledge which includes whakapapa or genealogies, stories of the ancestors, waiata, proverbs, the location of resources in group territory and traditional techniques. Those who are given or hold such knowledge are regarded as guardians or trustees and are expected to obtain group permission before giving away such knowledge to outsiders.

Metge (1994: 7) also notes that Maori recognise a category of individual private property which owners could use and dispose of as they wished. In pre-European times such property consisted mainly of a limited number of everyday items. However, then as now, the Maori value system tended toward the generous sharing of private property.

3.2.4 Wealth Ownership

Wealth ownership can take many forms. Wealth can be owned individually and privately like personal savings accounts, or jointly as in joint ownership of a family home. Wealth can also be held on a communal basis as in public libraries, sports grounds, public hospitals or publicly owned land. The distinction among these categories however, can be sometimes blurred and the forms of ownership themselves are not immutable. Here I offer three examples pertinent to this country. First, with privatisation, formerly publicly owned resources have now become privately owned, as with the sale into private ownership of state housing. Second, the establishment of State Owned Enterprises (SOEs) and the large number of cases being heard by the Waitangi Tribunal have highlighted changes

in what was once considered public or Crown ownership. For example, Crown land has been returned to Maori ownership and SOEs have sold off into private ownership, formerly publicly owned assets. Third, some communal wealth such as Maori fishing rights and access to Guaranteed Retirement Income, is open only to some categories of people within a community and not others.

Like property, the words owner and ownership have no exact equivalent in Maori, although Ngata approximates their meanings with the terms rangatira and rangatiratanga. A reasonable translation of rangatira is chief or manager, not owner, and the concept rangatiratanga can be better understood as chieftainship or management, rather than ownership. The key difference in the English and Maori terms is that owner and ownership imply individual title, or rights of control held and exercised individually, while rangatira and rangatiratanga imply group title and rights of control and alienation held and exercised by a trustee on behalf of others (Metge, 1994: 7).

Traditional Maori understandings of wealth and ownership are holistic and communal. In traditional Maori society the distribution of wealth was based on a notion that the welfare of every member of the whanau, or extended family, is important to the whole. The principle is extended to the whole ecosystem and underpinned by the belief that Maori people are the trustees of the land and its resources for future generations. Kupenga (1990) maintains that traditional attitudes are reflected in the hesitancy seen in many present day Maori to accumulate wealth. They do not want to be seen as hakere, translated as greedy, selfish and individualistic. There is also recognition that many Maori today face conflicts between whanau responsibilities and the pressures of western society. Henare commenting on these conflicts notes:

These conflicts include on the one hand individualism and personalist values such as private ownership, personal wealth and the domination of the environment by people; and on the other hand, communalism, a sense of group benefit, joint ownership, hapu and iwi wealth and well-being and the interaction of the environment with people (Henare, 1988 quoted in Planning Council, 1990: 64).

The preceding discussion on Maori wealth and ownership should not imply that wealth accumulation was not an integral aspect of traditional Maori society. It was, but given the stress placed on benefits for the whanau, hapu and iwi wealth took a communal, not individualistic form. Kupenga (1990: 62) identifies two major principles underlying the accumulation of wealth. The first was the provision for current and immediate need, with surplus being stored or given to the needy. Accumulation for its own sake or greed was eschewed. The second principle involved planned long term investment and can best be explained by an example. The totara tree is associated with values of strength, wisdom, intergenerational stability and continuity. Its final use on reaching maturity was planned from the outset. During its life it was carefully watched and tended and regarded as an investment in the future. On maturity it would be felled to build a canoe or marae.

Wealth accumulation through commercial activity has been part of Maori economic practice since the early colonial days in Australia. Maori entrepreneurial activity increased with the arrival of pakeha settlers in New Zealand. Owens (1981: 35) refers to the involvement of Hokianga Maori in the timber trade in the early years of the nineteenth century and Maori engagement in the trade of pork and potatoes from as early as 1800. By the late 1830s Maori were exporting considerable quantities of barley, maize, oats, peas and wheat to New South Wales. Owens also notes that while at times, innovations in Maori agriculture followed the European example, at other times agricultural innovation demonstrated a potential that Europeans were later to follow. Furthermore, Maori practised entrepreneurship, paid taxes and many public bills and fed settlers without jeopardising their cultural integrity. The principle of wealth for the whanau, hapu and iwi rather than for the individual, remained the basis of all negotiations and interaction.

3.3 Sources of Information on Personal Wealth in New Zealand

This section sets aside such complex issues as communal ownership and the measurement of intangible wealth and focuses on the documentation and

measurement of personal wealth, which in itself is sufficiently problematic. Perhaps Crothers (1987: 3) was being over-dramatic when he claimed that:

It is pitiful how little is known about the current distribution of wealth in New Zealand. Indeed, it is strange in a country which places such a cultural emphasis on property-owning that its measurement is so shrouded in the dark.

Yet the following comment from a New Zealand Planning Council publication (1988: 73) appears to endorse the point that the documentation of wealth in New Zealand is limited.

[W]e have information on the ownership of some material assets such as houses and cars, but no knowledge of the corresponding level of debt. Our knowledge of financial assets is limited, and we have no record of the ownership or value of personal effects or personal attributes such as special talents and skills which can be used to generate income. With these shortcomings in the data it is difficult to adequately or reliably estimate the distribution of wealth in New Zealand (Planning Council, 1988: 73).

The paucity of good data on individual wealth is largely due to the difficulty in estimating wealth. Easton (1983: 132) puts it well when he asserts that:

There is no easy way to estimate personal wealth. Few individuals actually know their own holdings; their knowledge of their assets is likely to be faulty, as is their assessment of what constitutes their wealth and their valuation of remembered assets, particularly if there has been considerable inflation. If asked, their answers may well be evasive and the task of searching through personal records would be daunting, even if it were possible.

The following section discusses sources of data on personal wealth and notes the problems associated with them all. When evaluating these sources Henning's cautionary comment should be kept in mind:

[S]ources of personal wealth data in New Zealand ... provide fragments of information, either for various sub-populations or on particular components of wealth, which are not connected. In addition, the usefulness of some of the collections is marginal in that they are dated, ... and that the information that is collected is not held on database (Henning, 1989: 10).

3.3.1 Census

The Census does not, in fact, measure wealth. Rather it documents the ownership of some forms of wealth, namely houses, cars, boats and some household appliances. Nor does the Census record information on debt levels so, for example, appliance 'ownership' may mean ownership on hire purchase. Home ownership receives more careful treatment in that the Census records whether a house is owned with or without a mortgage. As a wealth measure this is inadequate however, as no indication is given of mortgage size or the amount of equity in the house itself. While the Census records ownership of some real assets it does not record information on others like antiques, fine art, precious metals, jewellery, or stamp, coin and wine collections, nor does it record the ownership of financial assets. Hence, information gleaned from the Census on wealth ownership and distribution is limited.

3.3.2 Household Expenditure and Income Survey (HEIS)

The HEIS is carried out on a continuous basis throughout the year and published annually. It surveys between 3,500 and 4,500 households, not individuals, each year. Like the Census it too does not directly measure wealth. Henning (1989: 8) notes that the information on personal wealth captured by HEIS includes:

- the incidence of ownership of owner occupied dwellings and other property and related mortgages (including the amount originally borrowed, repayments and the outstanding principal);
- the purchase of any property in the preceding year including details of purchase contract price, chattels and own cash contribution paid;

- any renovations over \$200 or more;
- details including price and loan for any item of furniture, furnishings, home appliances, or home maintenance equipment purchased in the last year costing \$200 or more;
- the incidence of ownership of various items like stove, microwave, telephone, washing machine and refrigerator;
- details of vehicle ownership and any purchase within the preceding year;
- any other items like sports equipment, musical equipment, office equipment etc. purchased in the last year;
- details of other mortgages and loans;
- the incidence of membership in superannuation, pension, insurance and similar schemes.

Unlike the Census, data on the ownership of financial assets like insurance policies and information about the current acquisition of financial assets and debts is provided, but as wealth holdings *per se* are not the focus of the survey only limited inferences about wealth can be made from these data (Planning Council, 1988: 72).

3.3.3 Department of Social Welfare (DSW)

DSW records comprise information collected on application for assistance for benefits and subsidies. Information is collected on the ownership of land and buildings other than a home, money lent, money in the bank or savings accounts, money in bonus bonds, shares, debentures or government stock, any other assets and mortgage principal.

3.3.4 Financial Institutions

Financial institutions can be divided into two categories: savings and lending institutions, and insurance companies and other organisations administering superannuation pension funds. Financial institutions collect information in order to approve bank loans. The information on the actual loans taken up and

individual savings records is confidential and restricted to the institution itself, although some is given to Inland Revenue and the Social Welfare Department to verify taxation returns and benefit applications. While confidentiality applies at the individual level, some aggregate level statistics can be consolidated from banking databases. The Reserve Bank for example, collects data on cash deposits, term deposits and bank bills from this source. In fact, the three monthly Reserve Bank Survey is compulsory for merchant banks, building societies, stock and station agents and savings banks (Henning, 1989: 3).

Information on personal insurance, superannuation and pension policies is held by insurance companies and the administrators of pension and superannuation funds. This information includes the value of personal contributions and the maturity value of policies. Immediate surrender values can be easily derived from these data if necessary. Again, while this information is confidential, it can be consolidated to produce statistics at the aggregate level. Some of this information too is collected by the Reserve Bank and Government Actuary surveys (Henning, 1989: 4).

3.3.5 Valuation New Zealand

Valuation New Zealand collects and holds data on a wide range of information relating to household property. The valuation of all properties is undertaken by Valuation New Zealand at time of construction, and as part of an ongoing three yearly review. The updating of valuations is made on the basis of general trends in the market value of properties, with particular note being taken of recent sales prices for similar types of properties in nearby and adjacent areas, plus selected property inspections. This 'government valuation', is only a general guide to property values and frequently a significant discrepancy exists between the government valuation and the market value of a property. Government valuations are used primarily by local bodies for rating purposes.

3.3.6 One Off Surveys

The Department of Statistics (now Statistics New Zealand) carried out a Survey of Social Indicators in 1980-1981 as a one off activity. The general purpose of the survey was to measure selected aspects of social well-being on eight basic topics. The personal wealth measured in the survey could be regarded as fitting into two of these topics, namely 'command over goods and services' and/or 'physical environment'. The information on personal wealth included: the incidence of home ownership and such details of the property as its age, type, rooms, length of time owned, mortgage; the presence of amenities like telephone, washing machine and refrigerator; a subjective assessment was also made of the quality of various features of the property.

The Survey of Persons Aged 65 Years and Over was carried out jointly by the Department of Statistics and the Department of Social Welfare in 1973-74 to determine the financial and material circumstances of those within that age category. The survey covered a broad range of topics and also included an evaluation by respondents of their financial circumstances. The information on personal wealth covered home ownership with or without a mortgage, plus other features of the dwelling like numbers and types of rooms, car ownership and the use of amenities like washing machine, arm chair, steam iron, refrigerator and electric food mixer. Information was also collected on the total value of savings and investments, and the total face value of life endowment policies.

The Attitudes and Value Survey was conducted by the Department of Statistics in 1987 on behalf of the Royal Commission on Social Policy to ascertain whether 'the public thinks New Zealand has a fair society', to determine the public's social policy preferences and the values underlying these, and to determine whether different social policy experience and preference existed between groups such as age, ethnic and occupational groups. From this the only information collected relating to personal wealth was the incidence of home ownership and related mortgages.

3.3.7 Inland Revenue Department (IRD) and the Department of Justice

The most important collection of wealth data from each of these Departments has been in relation to deceased persons' estates,⁵ figures from which have been used to estimate the extent of wealth in New Zealand. Changes to estate duty law in 1989 and the abolition of estate duty in 1992 have meant that this source is no longer available. It is however, important that the source is documented as discussions of wealth and housing wealth later in this chapter and in Chapter 4, consider data from this source.

The data from deceased persons' estates lists the assets and debts of the dead. These data were collected by the Justice Department as the basis for their grants of probate, if the decedent died testate, or letters of administration if the decedent died intestate. They were collected by the IRD in order to assess the liability of estates for establishing estate duty tax. Until October 1989 the IRD extracted deceased persons' estates data for the Department of Statistics for all estates for which the High Court granted administration, regardless of whether estate duty tax had to be paid. Regulations changed in October 1989, after which time only estates which had a net value exceeding \$300,000 were required to send a statement of assets and liabilities to the IRD. For probated and administered estates below that figure solicitors and trust companies provided similar details to the High Court which then forwarded them to the Department of Statistics. It has been estimated that data were sent on to the Department of Statistics for approximately 80% of estates not liable for duty. With the abolition of death duties in December, 1992, estate duty data were no longer collected.⁶

The statement of assets and liabilities which formed the basis for this data series contained information on wealth holdings at death under the following headings:

- cash
- furniture, effects etc

⁵ The IRD also collects information on the self employed and the Justice Department collects information on personal shareholdings in companies, property transactions and on patents and trademarks.

⁶ At this time death duties were not required on estates below the value of \$450,000.

- farm stock, implements etc
- private business interests
- assurance policies
- loans
- shares, stocks etc
- real property
- other property
- notional estate ⁷
- overseas property
- secured and unsecured debt

The data from deceased persons' estates provide the widest coverage of the components of personal wealth of any of the sources so far discussed. Section 3.4 outlines the method by which wealth distribution is estimated using deceased persons' estates data.

3.4 The Estate Duty Method for Estimating Wealth Distribution

Estimating wealth using deceased persons' estates data (probate data)⁸ is the most valid and reliable method for estimating wealth distribution. The key methodological assumptions underpinning the method are that those who die at all ages are a random sample of everybody of that age, thus the wealth holdings in the deceased estates are a random sample of the wealth holdings of the entire population. Put more simply, the wealth holdings of the dead are assumed to provide a reliable sample of the wealth holdings of the living.

The method, although apparently simple, has not resulted in a complete picture of wealth holdings in New Zealand for reasons largely to do with the basic data

⁷ Notional estate includes property that does not transfer in terms of a will, such as gifts transferred in the previous three years, but which are included as part of the estate for the purposes of calculating estate duty tax.

⁸ Probate refers to the process of transfer of ownership of assets. The term also indicates the right to transfer assets.

themselves, and the problems associated with using a data set for a purpose other than the one for which it was originally intended. First, not all estates were included in the estate duty statistics. Some estates were considered too small to warrant probate and were therefore excluded. Non-probated estates can be those made up of assets not requiring any formal transfer of ownership (e.g. household furnishings) which fall below a certain minimum value and/or where the assets can be passed to the surviving spouse without requiring probate, as in the case of the joint family home which transmitted to the spouse through survivorship and only entered the returns when the surviving spouse died. Smaller estates were included in the statistics if they had assets other than a family home and personal effects to transfer. Also excluded from collection were small estates which did not have to supply a return to the IRD, or for whom the Maori Trustee or Public Trustee acted. Because of the exclusion of a proportion of estates from probate, no wealth is ascribed to a large number of people, particularly at the lower levels of wealth ownership. Hence, the concentration of wealth has been overestimated and the total level of wealth underestimated.

A second problem with the method has been that some assets of the deceased were considered exempt from estate duty. In New Zealand for example a number of exemptions were allowed, including the value of the deceased person's share in the family home and personal effects, certain pensions such as those payable to children until age 20 or a surviving spouse and certain categories of gifts.

Third, estate valuation omitted assets which could be calculated for the living, but not the dead. For example, omitted were pensions and annuity rights which terminated at death. Such omissions led to an underestimation of wealth. On the other hand, estate valuation included life assurances, the value of which would normally exceed the value of contributions paid by the living, resulting in an overestimation of wealth.

Fourth, because the data were compiled for the purposes of the assessment of death duty liability, underestimation of wealth might have occurred in cases in which tactics to avoid death duties were used. These included the setting up of

trusts, or transference of wealth as gifts. Underestimation of wealth due to avoidance tactics is however, likely to more than offset the overestimation of wealth concentration due to estate exclusion. With the effectiveness of estate planning mechanisms over the last decade the more recent figures estimating wealth should be interpreted with caution.

This method of estimating wealth in New Zealand has been the basis of the three studies outlined in Section 3.5. below.

3.5 Wealth Distribution in New Zealand

This section outlines the work of three major contributors to the issue of wealth distribution in New Zealand. Put together, their work which covers three time periods, 1870-1939, the 1950s and 1960s, and the 1980s, provides valuable insights into changes and continuities in patterns of wealth distribution across time.

3.5.1 Galt: Wealth Distribution, 1870 - 1939

Galt (1985) documented trends in wealth distribution in New Zealand between the years 1870 and 1939. Galt's method was to link aggregate statistics to death certificates and probates for a sample of over 16,000 decedents. Her major finding was that average wealth in New Zealand was high by international standards and relatively egalitarian in distribution. Over time, the distribution of wealth changed little, with the most marked trend a decline in the relative position of the very rich. Galt ascertained that in the early 1890s the top 1% of wealth holders held 55-60% of total wealth. By the late 1930s their share of total wealth had fallen to between 25-30%. Galt also showed that while at the outset of the period wealth was concentrated among those involved in sheep farming, trading and the professions, over time a tendency developed for manufacturing to become a greater source of wealth than agriculture.

Of interest for this thesis is Galt's observation of considerable social and economic mobility among the wealthy. Galt explained that such mobility meant that the

establishment of a self generating caste of the very wealthy in New Zealand did not occur. The principal reasons for mobility were identified as the practice of equal inheritance, large family sizes and the inclusion in wills of daughters as well as sons. Together these factors meant that only a few families remained very wealthy for more than one generation and large wealth holdings became dissipated. Galt also drew attention to the fact that men's estates were considerably larger than women's estates, although over the time period she considered the average estate left by women grew from one fifth the size of the average male estate, to three fifths the size. Galt observed that the comparative increase probably reflected the growing proportion of unmarried women, but owed even more to an increasing number of widows who inherited estates from their husbands. An important inference that can be made from Galt's findings is that the biggest force towards wealth concentration in recent years is the decline in average family size (Hawke, 1987: 4).

3.5.2 Easton: Wealth Distribution in the 1950s and 1960s

Easton used estate duty data to estimate the wealth distribution at two points of time, 1956 and 1966. Easton's data suggested that in 1966, of a total population of approximately 2,067,000, about 20,000 people owned about one fifth of the total wealth and 100,000 people owned one half of it. Allowing for the smaller population Easton suggested the 1956 situation was similar. He concluded therefore, that substantial wealth concentration was in the hands of a few.

Table 3:2 shows Easton's estimates of personal wealth calculated for three categories: 'All Population' defined as all the population over the age of ten years, 'Adults', defined as people over the age of twenty plus juvenile wealth holders, and 'Wealth Holders', a category omitting the non wealth holders included in the other two categories.

Table 3.2: The Distribution of Personal Wealth

	<u>All Population</u>		<u>Adults</u>		<u>Wealth Holders</u>	
	<u>1955</u>	<u>1966</u>	<u>1955</u>	<u>1966</u>	<u>1955</u>	<u>1966</u>
Top 1% of distribution	22.6	20.8	25.4	18.0	16.0	12.9
Top 2.5% of distribution	37.5	35.3	40.7	30.5	26.7	21.4
Top 5% of distribution	51.3	50.0	48.2	44.5	38.6	32.4
Top 10% of distribution	68.4	65.2	63.9	59.2	52.5	46.4
Top 20% of distribution	84.3	85.4	79.5	78.9	69.7	61.3
Top 50% of distribution	99.6	100.0	98.6	99.8	90.3	87.2
Bottom 50% of distribution	.4	-	1.4	0.2	9.7	12.8

Source: Easton, 1983: 138

According to Easton, the evidence points to a reduction in the inequality of the distribution of wealth. For instance, the fall in the share of the richest 1% of wealth holders represented a significant reduction in their total holdings. Easton noted however, that these data indicate nothing about the reasons for the reduction in wealth concentration. Figures which indicate a more egalitarian wealth distribution may mask wealth transfers within families. Furthermore, they do not imply a reduction in the economic power of the rich.

3.5.3 Payne: Wealth Distribution in the 1980s

Payne (1990) also used the estate duty method of estimating wealth similar to that outlined in section 3.4 above, although Payne had the advantage of having available deceased persons' estates data broken down by sex and a finer value group dissection than was available to Easton. As expected, the initial assumption Payne made was that estates of the deceased population were a representative sample of the total population. The estates were classified according to age at death. These data were then multiplied by a mortality multiplier, which is the ratio of persons living to the number dying in each five year age group. The age specific mortality rates used were derived from life tables published by the Department of Statistics. This method assumes that all estates other than those passed for probate or administration have zero value. While the majority of these estates will be of zero or negligible value the assumption is not correct, omitting children with assets of their own, estates consisting of personal effects of value less than \$6,000 and those estates consisting only of personal

effects and/or matrimonial property, including a joint family home being transferred to a surviving spouse. In his analyses of wealth holdings Payne was careful to point out the possible causes for over or under estimation of wealth, brought about by biases and sampling errors.

Unlike Easton who in his estimation of wealth for 1956 and 1966 combined several year's data in an attempt to overcome sampling errors, Payne estimated each year's wealth independently. Following are Payne's major findings. Table 3.3 shows that from 1980/81 to 1985/86 the personal wealth of females increased from just under half the value of that of males to approximately two thirds.

The wealth by asset calculations made by Payne demonstrate that real estate is the major category of wealth for New Zealanders. Table 3.4 shows that the proportion of wealth in real estate has risen over time, while assurance policies have declined as a proportion of wealth. It also shows that stocks and shares had risen in the pre-crash days of 1985/86.

The calculations made by Payne indicated significant differences in wealth holding by asset type between males and females (see Table 3.5). Females tended to hold more wealth proportionately as real estate and cash. On the other hand, a comparatively smaller proportion of female estates were made up of assurance policies, business and farm interests, furniture and effects (including vehicles) and notional estate. Female estates also contained proportionately less debt.

Before moving on from Payne's work it is useful to compare calculations he made for the Department of Statistics on the distribution of wealth for the year 1985, with Easton's earlier calculations for the years 1956 and 1966 (see Table 3.6). According to Table 3.6 wealth holdings were concentrated in relatively fewer hands in 1985 than in 1956 and 1966. Yet in 1985, the top 1% of wealth owners, about 22,200 owners in all, still owned 15.6% of total private wealth, the top 2.5% owned 27.4% of wealth and the top 10% of New Zealanders owned 57% of wealth. The table shows that the share of the top 10% of wealth holders

Table 3.3: Comparison of Wealth Estimates by Sex

Year	Male	Female	Ratio
	\$ (billion)		Male: Female
1980/81	29.9	13.1	2.28
1981/82	31.7	14.6	2.17
1982/83	35.5	16.7	2.13
1983/84	40.0	19.3	2.07
1984/85	41.9	22.3	1.88
1985/86	41.2	27.7	1.49*
1986/87	50.7	31.8	1.59

Source: Payne, 1990: 19

* this result is probably a statistical outlier

Table 3.4: Wealth by Asset Type: Proportion of Gross Wealth

Asset type	1970/71	1975/76	1980/81	1985/86
	percentage proportions			
Cash, deposits	20.5	16.4	19.5	20.0
Furniture, effects	3.4	2.3	2.8	2.7
Farm stock, implements	1.9	1.4	1.5	1.0
Private business interests	2.1	2.5	2.7	1.8
Assurance policies	7.0	5.6	5.1	3.9
Loans	11.8	13.4	12.0	10.0
Shares, stocks etc.	14.0	12.0	13.4	17.5
Real property	27.0	34.5	31.6	34.9
Other property	4.0	3.7	3.4	2.6
Notional estate	5.6	6.1	6.2	4.2
Foreign property	2.6	2.2	1.8	1.2
Gross Wealth	100.0	100.0	100.0	100.0
Total Debts	-6.6	-5.5	-5.3	-4.5
Net Wealth	93.4	94.5	94.6	95.5

Source: Payne (1990: 23)

Table 3.5: Wealth by Asset Type by Sex

Asset type	1980/81		1985/86	
	Male	Female	Male	Female
	percentage proportions			
Cash, deposits	16.6	25.6	17.3	24.2
Furniture, effects	3.4	1.9	3.4	1.9
Farm stock, implements	1.9	0.5	1.3	0.6
Private business interests	3.3	1.2	2.4	0.9
Assurance policies	7.1	1.8	6.0	1.2
Loans	12.0	11.2	10.0	9.8
Shares, stocks etc.	13.2	13.2	17.0	17.8
Real property	29.9	35.4	33.1	37.4
Other property	3.4	3.3	2.9	2.2
Notional estate	7.5	3.8	5.2	2.8
Foreign property	1.6	2.0	1.3	1.1
Gross Wealth	100.0	100.0	100.0	100.0
Total Debts	-6.0	-4.5	-5.1	-3.6
Net Wealth	94.0	95.5	94.9	96.4

Source: Payne, 1990: 24

Table 3.6: Distribution of Personal Wealth 1956-1985 (adult population)

% of total adult population	% of estimated total wealth		
	1956	1966	1985
Top 1%	25.4	18.0	15.6
Top 2.5%	40.7	30.5	27.4
Top 5%	48.2	44.5	37.9
Top 10%	63.9	59.2	56.6
Top 50%	98.6	99.8	100.0
Bottom 50%	1.4	.2	.0

Source: New Zealand Planning Council, 1988: 74.

dropped from about 64% to 57% over the last 30 years. Thus the figures show that despite the high degree of inequality in personal wealth holdings in 1985, the extent of wealth inequality decreased over the three decades under scrutiny.⁹ This decrease may not be as great as first appears however. It may be that intra-familial wealth transfers have occurred in which assets are transferred into a spouse's name or transferred to other family members. Insofar as this has occurred it does not really represent a change in the distribution of wealth which, while being dispersed, is still being kept in the family. Despite the caution, it is most likely that the share of the top wealth holders is declining relative to the moderately wealthy.

3.6 Summary

The purpose of this chapter has been to comment on wealth and wealth distribution in New Zealand and thus set the scene for the following chapters which include an original analysis of deceased persons' estate data and deal with housing wealth and housing wealth inheritance.

It has been pointed out that wealth is difficult to define. Commonly it is defined in relation to income but in practice the two are tightly interlinked. Wealth comes in many forms and can be acquired and owned in numerous ways. Problems are posed when it is attempted to delineate these. For example, should wealth be conceptualised as economic assets only or should cultural and social assets also be taken into account? If the latter, how then is the economic value of such assets assessed? Through a discussion of traditional Maori views on aspects of wealth, attention was drawn to the complexity of the issues of wealth definitions, acquisition and forms of ownership.

Various sources of information on wealth in New Zealand were discussed and it was noted how sketchy our knowledge is on the subject. Of all sources the most useful in providing appropriate data for estimations of wealth in New Zealand was

⁹ There is every reason to believe the extent of wealth inequalities has increased again after the economic restructuring and social policy changes over the years since 1985.

deceased persons' estates. With the abolition of estate duty in 1992, these data are no longer collected. Alternative sources are presently being discussed by Statistics New Zealand.¹⁰ The following chapter is an empirical analysis of wealth in New Zealand, using data from deceased persons' estates for a period from 1980 through to 1992.

¹⁰ Personal communication with Stuart Payne, Statistics New Zealand, Christchurch, June, 1995.

DECEASED PERSONS' ESTATES

4.1 Introduction

In this chapter the focus shifts from a broad concern with the nature of wealth in New Zealand, its distribution and its measurement, to a more narrow concern with the nature and value of the wealth and assets that are passed on through inheritance. Although New Zealand has no official record that contains complete information about such assets, considerable insight into the topic can be gleaned from examining deceased persons' estates data. Historically, these data were collected by the New Zealand Inland Revenue Department (IRD) for the purposes of assessing estate duty.¹

This chapter comprises a secondary analysis of deceased persons' estates data that covers the years from 1980/81 through 1991/92. New Zealand's privacy legislation denies public access to Administrators' Statements, the documents which itemise a deceased individual's assets and debts in preparation for probate. It is these individual documents that provide the data which are then aggregated into the deceased persons' estates data sets. The data enters the public domain via Statistics New Zealand in aggregate form only. For the purposes of this research I was given access to aggregate data sets for the years mentioned above. The usual method followed in empirical studies on inheritance is to sample individual probate documents. The analysis that follows is based on

¹ Estate duty was abolished under the Estate Duty Abolition Act of 1993. The act took effect from 17 December 1992 and no estate duty was deemed payable on the estate of any person who died on or after that date. Given the current political and economic climate it is unlikely that the gathering of such information will be resumed. The unavailability of sound data on deceased persons' estates will have implications for future research on inheritance, impeding further investigation into an already a largely neglected and methodologically problematic area of study (Tickamyer, 1981; McNamee and Miller, 1989). The analysis presented in this chapter has the added dimension that it will not be repeatable in future years.

aggregate data only and therefore represents a significant point of departure from commonly followed methods. It is still possible however, to break down these data on abstract estates and use them in such a way that a nuanced approach to the questions raised in Chapter 1 can be developed. Once this is accomplished and the 'abstract estates' of the official statistics become disaggregated into 'particular kinds of estates', which belonged to 'particular sorts of people', then the debate about the role of housing wealth inheritance in the development of new social inequalities extends beyond the inheritance/non-inheritance dichotomy to take account of the variation that exists within the category of inheritance itself. The empirical analysis I present in this chapter illustrates the key dimensions of this variation.

It shows for example, that there are quite important differences between female and male estates. Typically, female estates are smaller than male estates and the proportion of the various components that go to make up an estate also tend to differ somewhat by sex. However, this analysis also demonstrates that it is problematic to refer to female estates and male estates as if each were a homogeneous entity. The categories of female estates and male estates are themselves internally differentiated according to size and make up. By further differentiating the aggregate data on deceased persons' estate it is possible to highlight by sex, and estate size and value, the categories of estates for which housing wealth is a major component. The data I present confirms that in a general sense, housing is a key component of deceased persons' estates. Yet it goes beyond that to show as well that its importance varies according to the sex of the decedent and the size and value of estates. The data therefore point to the necessity of going beyond the position of simply connecting home ownership to inheritance. The variations shown in the data suggest that housing wealth inheritance in itself is a complex and diverse phenomenon which requires further examination.

The chapter is organised in the following way. In the next section I review a selection of international studies on inheritance and housing wealth inheritance. The point of this review is twofold. First, I comment on the way these studies

have used official statistics as a basis for their analyses and second these studies provide a point of comparison with my work. In effect they provide a backdrop against which I present the empirical material in this chapter. In Section 4.3 I move on to my own data and provide a detailed description of the original deceased persons' data sets I used in this chapter. I also acknowledge in a general sense, the problems encountered in using official statistics for secondary analyses, and more specifically the problems in using deceased persons' estates data sets. In Section 4.4 I set out the rationale for the approach I have adopted for this analysis, describe the way I have manipulated the original data sets, discuss the results of my analysis and present these in table and graphic form. In the final sections I draw some concluding remarks about the significance of the real property component of deceased persons' estates and provide a chapter summary.

4.2 Studies of Inheritance Based on Official Statistics: A Selective Literature Review

The purpose of the following review is to illustrate the variety of ways in which official statistics can form a basis for productive, empirical analyses of inheritance. The review covers two broad areas: research by wealth economists into intergenerational wealth transfers and research in the area of housing wealth inheritance. As indicated, the review is not intended to be exhaustive.

4.2.1 The Use of Official Statistics in the Economics Literature on Inheritance

Much of the research undertaken into inheritance that uses official statistics has emanated from economics. This work has been informed by a variety of theoretical perspectives and broadly addresses debates about intergenerational economic inequalities and their reproduction over time (Stamp, 1926; Wedgwood, 1929; Harbury and Hitchens, 1979; Menchik, 1979), the continuation or otherwise of estate duty and the implications for issues of egalitarianism and incentives to work and save (Thurow, 1975; Wagner, 1977), and the development of economic models intended to take account of

bequeathing behaviours and their outcomes (Blinder, 1973, 1976; Becker and Tomes, 1979; Tomes, 1981).

For this review I shall focus on a selection of major studies of intergenerational wealth inheritance that have been based on analyses of deceased persons' estates data. A key feature of these studies has been the tendency to concentrate on the estates of wealthy men. Thus the stress in such studies has been on father/son wealth relationships and on paternal wealth as opposed to family wealth (Brittain, 1978). The pioneer in the study of wealth inheritance was Wedgwood (1929) who used British Probate Registry data to compare the estates of wealthy sons to those of their fathers. His method was to take two samples of large estates left by wealthy sons in the mid 1920s (estates worth £10,000 and over), and through examining probate records, trace the value of the estates of their fathers. His major finding was that only a small minority of sons who had left large estates in the mid-1920s, had not been the beneficiaries of substantial inheritances.

Closely following Wedgwood's method, Harbury (1962) and Harbury and McMahon (1973) repeated the exercise in Britain and found that approximately 60% of the fathers of very wealthy men were themselves very wealthy. Menchik's study using American estate data produced similar results (Menchik, 1979). Using 1973 probate data a further study was carried out by Harbury and Hitchens (1976) in which they found that despite a decline in the proportion of high wealth leavers preceded by wealthy fathers shown in earlier studies, the chance that the father of a wealthy son was similarly wealthy was nearly 500 times the chance that this would be true of the father of a randomly chosen deceased son. Extending the study to wealthy women Harbury and Hitchens (1977) found that inheritance and marriage accounted for the sources of wealth for 95% of the wealthy women testators in their sample.² Horsman's (1978) research which also used estate duty data, examined the greater preponderance of trust funds in the estates of the wealthy, which he argued

² Wealthy women were defined as women leaving estates worth more than £200,000 in 1973.

demonstrated that the wealthy were better equipped to take advantage of tax-avoidance devices than their poorer counterparts.

My research differs from these studies in three important ways. First, these studies are confined to an examination of intergenerational wealth inequalities for a very small group of people: the very wealthy. I am not primarily concerned with this category of people. The inheritance of modest wealth is just as important for the arguments being addressed in this thesis. Therefore, the results of these studies while interesting, have only limited relevance for this thesis. Second, my research is very much driven by the recognition that in the main, it is women who finally leave wealth to the next generation. Hence my research signifies a point of departure from the traditional concerns of intergenerational wealth transfers as a masculine phenomenon, rather than a continuation of the dominant strand of this work. The third point of difference, at least between Horsman's study and the present research, is that Horsman's work has been able to shed light on tax avoidance techniques and estate planning mechanisms that my work has not picked up on. My use of aggregate data only, means that I have no way of taking these behaviours into account. In addition, the comparison with Horsman's work opens up the question of the validity of using estate data as a means of tracing the extent and directions of inheritance. It suggests that any analysis using these data must be prefaced by a discussion of the limitations inherent in the method followed.

4.2.2 The Use of Official Statistics in Housing Wealth Inheritance Research

The study of housing wealth inheritance is an area that relies heavily on official statistics as its basic data source. Given that the debates on housing wealth inheritance have been British in origin, this section will focus on the way British researchers have put their data sources to use. Murie and Forrest (1980) were the first to focus specifically on housing wealth inheritance and speculate on the possibility of increased rates of home ownership in Britain impacting on traditional inheritance patterns. They based their work on official data from the *1977 Royal Commission on the Distribution of Income and Wealth* to illustrate (among other things) the increase in the proportion of wealth held in dwellings

between 1960 and 1975. Their 1989 reconsideration of the question extended the initial debate to recognise that the pattern of wealth accumulation through housing and its transfer through inheritance, is not only socially and spatially uneven, but also varies over time. Consequently they argued that patterns of housing wealth inheritance will become highly differentiated. Again they used Inland Revenue statistics on wealth holdings at death but augmented these with data from the Labour Force Survey to demonstrate regional variations in the numbers of outright home owners and property values. This paper therefore took as its major focus regional variations in the accumulation potential of home ownership to demonstrate that there was sufficient differentiation in aspects of home ownership to undermine arguments about housing wealth inheritance creating a new divide in British society (Forrest and Murie, 1989). The argument regarding the wider impacts of regional variation in house prices is an important one which I have taken up elsewhere (Dupuis, 1989, 1992; Dupuis and Thorns, 1995a). The methodology used in this study has however, precluded an examination of this factor in this piece of work.

It is well recognised that working with official statistics can cause problems for researchers. On occasion however, a data set can be both relatively complete and available. Such was the case for Munro (1988) who, in her examination of housing wealth inheritance in Glasgow, had access to very detailed Commissary records held at the Sheriff's Court in that city which covered property transmissions of every person who died in the city of Glasgow and some areas to the city's north. From these records Munro collected detailed information on all the property transfers (1,500 cases) that were recorded for two three month periods in 1984. The decedent's age and sex were noted as were details on the value of estate and the presence or absence of a will. A proportion of the estates in Munro's sample contained no housing wealth, but for the subsample that did Munro recorded extra data on the division of wealth into housing and non housing wealth, the estimated value of the dwelling, its value net of mortgages and other debts, the address of the property and as much detail as possible about the beneficiaries. From the total records in her sample Munro found 453 estates

which contained housing wealth.³ The detailed analysis Munro was able to present included the following: the distribution of estates by value; for those estates with housing wealth, the proportion of housing wealth in the total value of the estate; the average value of estates by age, marital status and gender of the decedent; the value of estates by the number of inheritors and marital status of the deceased; and information on the number of inheritors by marital status and gender of the decedent. The analysis I present in Chapter 5 has a different point of departure from Munro's in that I begin with housing property passed on at death and thus I ignore the estates which do not contain housing property, yet the detail of the analysis presented and the variables considered are similar.

The most extensive examination into the scale and value of housing wealth inheritance to date is that directed by Hamnett (Hamnett 1991; Hamnett *et al.*, 1991). As part of their broad based research project, Inland Revenue statistics on estates passing at death were also used. In their research Hamnett and his team faced one of the common problems for researchers who use official statistics: the incomplete nature of their data set. For example they point out that in the year 1985-86 while approximately 600,000 deaths occurred in Britain, only 245,000 estates were included in the Inland Revenue statistics data. The discrepancy occurred because not all estates require probate. Estates such as those passed between spouses under the laws of succession, or estates under a certain value do not require probate.⁴ The analysis I present in this chapter faces similar problems which I comment on in Section 4.3 below. From the analysis of their data Hamnett *et al.* were able to establish for example, the distribution of estates by net capital value, comment on the number and percentage of estates containing residential property and its relative importance compared with other types of assets.

³ While this seems a low proportion of estates containing housing it is broadly in line with Scottish home ownership patterns, which are significantly different from ownership patterns in England.

⁴ Although the degree of non-recording appears large, the exclusion of these categories of estates does not pose too great a problem in the study of intergenerational wealth transfers from housing wealth, as estates passing between spouses do not imply inheritance in the sense of intergenerational wealth transfers and estates worth less than £5000 are unlikely to contain housing wealth.

The final study I will refer to in this section is one undertaken by the merchant bank Morgan Grenfell (1987). They also used official statistics as part of what is termed the 'indirect method' for estimating the extent and value of housing wealth. This method provided a basis from which they could forecast the likely incidence and value of future housing wealth inheritance. The 'indirect method' calculates the number of finally dissolving estates. It consists of applying age specific death rates to home ownership rates by age group. This produces estimates of the number of home owners who die each year. These estimates are then adjusted to account for the cases in which a survivor assumes ownership and continues to live in the property.⁵ To calculate the value of housing inheritance for any one year this figure is multiplied by the average house price for that year. This indirect method might overcome the problem of incomplete data sets, but faces other problems of its own, inherent in a method which extrapolates from a current situation to forecast the future. For example the assumption is made that property acquisition takes place principally from within the 25 to 40 year old age group, which 'suggests that if one half of the 40-49 group own their homes in 1970, then by 1995, the owner occupation rate will be roughly one half for the over 65 age group' (Morgan Grenfell, 1987: 9). In the British context such an assumption would ignore therefore, the likely impact of the sale of a million or so council houses in the 1980s. In short, while the method does offer some advantages over analyses based on probate records, its accuracy is strongly dependent on the validity of the method's underpinning assumptions. Their focus also fails to take account of other important components of inheritance, and the way housing ownership might impact on the acquisition of other forms of inheritable property.

This brief review has demonstrated that the study of housing wealth inheritance has used official statistics in three ways. Murie and Forrest (1980) and Forrest and Murie (1989) used already existing statistics to support their theoretical arguments. Munro (1988) and Hamnett *et al.* (1991) followed the traditional method of sampling probate records to gather data on housing wealth

⁵ In the vast majority of cases the survivor is a spouse. In a few cases however the survivor is a sibling, child or friend.

inheritance. The different emphases in their respective research projects reflects the quality and availability of the data to which the researchers had access. The method used by Morgan Grenfell Bank was more abstract and computational, but still rested on the use of official statistics on home ownership and death rates.

The selective literature review in this section has examined the manner in which official statistics have been utilised and manipulated in overseas research into inheritance and housing wealth inheritance. In the following section I discuss the deceased persons' estates statistics that were used as the basis for the analysis in this chapter. I also outline and discuss some of the problems associated with their use.

4.3 Deceased Persons' Estates: Description of Original Data Sets

Information from deceased persons' estates pertinent to this analysis is the type and value of the assets and debts in the estate, the sex and age of the decedent and either the year in which the estate was probated or administered, or the year in which the decedent died.⁶ Data on deceased persons' estates were originally generated by the IRD and forwarded, in aggregate form, to Statistics New Zealand (formerly the Department of Statistics) where they were processed and published in the Monthly Abstract of Statistics, under the heading of Estates Passed for Death Duty.⁷

The two original data sets from which the tables and graphs in this chapter are derived, were provided specifically for this research by Statistics New Zealand. The first data set comprised aggregate data on deceased persons' estates for the eight year period, 1980/81 to 1987/88. These aggregate data were arranged in two ways. The first arrangement was monetary amounts by estate components

⁶ A detailed description of the regulations concerning data collection is set out in Chapter 3.

⁷ As previously noted, these data in their aggregate form have been used in the past for the secondary purpose of estimating wealth holdings for the total population (see Chapter 3). The Monthly Abstract of Statistics was incorporated into the publication Key Statistics.

(assets and debts) within estate net value groups. The categories of estate components were as follows:⁸

- cash;
- furniture, effects, jewellery, private motor cars, caravans, trailers, boats and similar items;
- farm stock, blood stock, farm implements and vehicles; private business or partnership interests;
- assurance policies;
- private business interests;
- loans;
- shares, stocks, debentures, bonds etc;
- real property (freehold or leasehold) and rents therefrom;
- other property which includes interests in estates and trusts, wool and other produce in store, rebates due, royalties, income tax overpaid to date of death, goodwill, crops and fruit, secret processes, trade marks and mineral rights, death benefits payable by lodges to a deceased member's estate and interests in other property not included in the preceding categories;
- notional estate including any property over which the deceased had a general power of appointment at the time of death, gifts made in contemplation of death, gifts made within three years of death, any settlement made by the deceased in which she or he has reserved a benefit, joint property including a joint family home etc;
- foreign property;
- unsecured debts;
- secured debts.

Thirty one value groups were defined, the smallest of which was estates in the range of \$0 and under \$4,000. The next ten value groups were of \$2,000 each, beginning at \$4,000 and under \$6,000, and extending to \$22,000 and under \$24,000. The next value group of \$24,000 and under \$30,000 was followed by

⁸ A more detailed description of the Administrators' Statement is contained in Chapter 3.

four value groups, each of \$5,000 (from \$30,000 and under \$35,000 to \$45,000 and under \$50,000). Subsequent value groups comprised the following: five value groups of \$10,000 from \$50,000 and under \$60,000 to \$90,000 and under \$100,000; three value groups of \$20,000 (\$100,000 and under \$120,000, \$120,000 and under \$140,000, \$140,000 and under \$160,000); one value group of \$40,000 (\$160,000 and under \$200,000); one value group of \$60,000 (\$200,000 and under \$260,000); one value group of \$90,000 (\$260,000 and under \$350,000); three value groups of \$50,000 (\$350,000 and under \$400,000, \$400,000 and under \$450,000 and \$450,000 and under \$500,000); and the final value group defined as \$500,000 and over.

The second arrangement for these data was by number of estates by net estate value group by age group and sex. Age groups were in five year blocks from 20 and under 25 to 90 and under 95, although the first age group was 0 and under 20 and the final age group 95 and over.

The second data set was for the years 1989/90, 1990/91 and 1991/92. There were five major differences between the way the figures in the two original data sets were collated. First, although the latter set contained information on the value of estates according to estate components, unlike the previous data set no information was included on the sex of the decedent in this category. Second, only the estate components of cash, real property, notional estate and foreign property were recognised separately. The categories of furniture, effects etc, farm stock and implements etc, private business interests, assurance policies, loans, shares, stocks etc were combined into the one component of other assets. Third, data were arranged by sex according to the numbers and net values of estates for various value groups. Included in this analysis was a category of sex unstated. For the purposes of the secondary data analysis this category is omitted. Fourth, the number and size of the value groups differed between the two data sets. Rather than the thirty one values groups of the first data set, this second data set contained only twelve value groups: under \$0; \$0 and under \$40,000; \$40,000 and under \$80,000; \$80,000 and under \$120,000; \$120,000 and under \$160,000; \$160,000 and under \$240,000; \$240,000 and under

\$260,000; \$260,000 and under \$300,000; \$300,000 and under \$350,000; \$350,000 and under \$400,000; \$400,000 and under \$450,000; \$450,000 and over. Fifth, the data set for the years 1989/90 to 1991/92 includes estates of negative value. Such estates were omitted from the data set covering the years 1980/81 through 1987/88.

By and large, these data do provide useful information on deceased persons' estates. However, it is still necessary to strike a note of caution and recognise that as in most secondary data analyses, there are problems with both the data themselves and the way in which they have been manipulated, that might influence the validity and reliability of the ensuing statistical analysis. Two types of problems should be acknowledged. The first, is a problem applicable to all research which uses official statistics as its base: the problem of the limited control the researcher has over the validity of the data, given lack of input into and control of, the original data collection (Hakim, 1982, 1993; Jacob, 1984; Stewart, 1984). Inevitably too, the concepts that interest the researcher are seldom those which motivated the designers of the original data sets, raising questions regarding the adequacy of the data for the purposes of the secondary analysis. An example pertaining to the present research highlights this issue. As noted, the motivation for data collection for deceased persons' estates was the assessment of estate duty. One of the categories assessed was real property, a category which included, but was not made up entirely of owner occupied housing. Given the relatively modest size of New Zealand deceased persons' estates it is safe to assume that the real property in most estates was restricted to owner occupied housing, the concern of this thesis. However, we must be aware that this category might also include farm properties, sections and commercial properties owned by the deceased, which in the strictest sense are not housing wealth. The use of the category real property as a concrete indicator of housing wealth was therefore problematic and has implications for the

validity of the analysis.⁹ Yet despite the fit between the concept and the measure not being perfect, the data in this chapter are still highly suggestive and when considered in conjunction with the material in subsequent chapters on housing transmissions, wills and interviews with beneficiaries of housing wealth, they can play a useful part in building up the larger picture of the important phenomenon of housing wealth inheritance.

The preceding example alluded to the broader issue of research design. The use of secondary data analysis implies a type of research where the study is not designed first and the statistics collected subsequently, in order to meet the demands of the research design and specified questions. Instead, it presupposes a type of research design that is better suited to exploratory and flexible research, where the analysis is driven rather more by what the data can reveal than an ideal set of questions specified at the outset. In some respects this type of research might be seen as a compromise, or making the most of what is available. On the other hand, it is also the case that the use of publicly available data sets can offer unexpected possibilities and allow for the researcher to develop fresh ways of looking at issues that might otherwise not have arisen. Therefore, what might have been deemed a problem initially, can be the catalyst for a more creative research approach.

The second problem acknowledged is specific to this particular piece of research and concerns the adequacy of the original Statistics New Zealand data sets themselves. In Chapter 3, I commented on the adequacy of deceased persons' estate data as a basis for estimating wealth distribution across the living population and in Section 4.2 above noted the problems Hamnett *et al.* faced in their analysis. My analysis faces similar problems. For example, the original data sets on which I based my analysis do not contain all the possible deceased

⁹ In the United Kingdom the problem does not present itself as residential property is distinguished from other forms of property, like investment property. In my data set the category real property will contain farm properties as well as dwellings, but I have no way of estimating the proportions of each of these forms of property. Drawing on the work of Keating and Little (1991a, 1994) who argue that farms are commonly passed on by gift or sale before the owner's death, I make the assumption however, that the category real property will not include a significant number of farm properties.

persons' estates. Although it is known that estates too small to warrant probate, estates made up of assets like household furnishings that did not require formal transfer of ownership, or estates that were transmitted to a surviving spouse without requiring probate were excluded, still one cannot be certain exactly how many possible estates were omitted, who they belonged to and their relative value and make up. In addition, because the data were compiled in order to assess estate duty it is likely that the value of some estates will have been significantly reduced by estate planning mechanisms. It is likely however, that the larger the estate, the higher the return for avoiding death duties and hence the greater incentive to avoid these duties. It is also possible however, that the under-reporting of the low and high value estates might cancel each other out. While such factors indicate the presence of bias, there is insufficient information available to be able to estimate the degree of bias in the final analysis. Therefore it is necessary to be aware of possible limitations in the results put forward in this chapter.

This section has provided a description of the original data sets and pointed to a range of problems associated with using official statistics. In the form in which they were received the data were somewhat limited in terms of what they could indicate about deceased persons' estates in New Zealand and thus required manipulation. The following section outlines the rationale behind preparing these data for reanalysis, the data manipulation that occurred and the results obtained.

4.4 A Secondary Analysis of Deceased Persons' Estates Data

The first broad area of analysis which is developed in Sections 4.4.1 and 4.4.3, focuses on the relative importance of estate components according to time, sex, and estate size. Examining estate components according to estate size allows for a comparison with the British literature which suggests that housing wealth is less important in both small and large estates and more important in the broad mid range of estates. In order to make this comparison I decided to regroup the data from the dollar value groups of net estate value (delineated in 4.3. above)

into percentile groupings. The percentiles were interpolated from the dollar value groups. The reason to move from value groupings to percentile groupings was to ensure consistency of category over time, as categories based on dollar value groups would be affected by inflation. Regrouping according to percentiles provides a robust way of defining groups within a continuum. The regrouping according to percentiles is as follows:

- the bottom 10% (0 percentile to 10th percentile)
- the lower 20% (10th percentile to 30th percentile)
- the middle 40% (30th percentile to 70th percentile)
- the upper 20% (70th percentile to 90th percentile)
- the top 10% (90th percentile to 100th percentile)

The second broad area of the analysis, developed in Sections 4.4.2 and 4.4.4, does take account of the monetary value of estates. In these sections my concern is twofold. First, it is to observe whether the values of estates remain constant over time or whether they become more or less spread out. Second, it is to observe whether there are any changes over time in the comparative real dollar values of the mean estates on a range of percentiles.

4.4.1 Estate Components: 1980/81 to 1987/88

Tables 4.1 and 4.2 show the percentage of the net estate according to estate component and percentile group for female and male estates for the years 1980/81 through 1987/88. The subsections that follow work through each estate component with the basic questions in mind of who leaves these assets (i.e. is it women or men or both women and men) and what is the monetary value of the assets they leave?

(i) Real Property:

The analysis of deceased persons' estates data shows that for the majority of female and male estates real property is the most significant single estate component. This finding concurs with the findings of the British literature

discussed earlier. As Tables 4.1 and 4.2 show, for all eight years under consideration real property is the most significant single component for the middle 40% and upper 20% of both female and male estates. In the top 10% of estates it is the most important single component in female estates for 4 of the 8 years under consideration and in male estates for 5 of the 8 years. In the bottom 10% of both female and male estates and the lower 20% of female estates, cash, rather than real property, is the most important single component. In the lower 20% of male estates however, real property surpasses cash as the single most important component. While the most obvious point revealed in Tables 4.1 and 4.2 is the importance of real property in the mid range of estates the tables also highlight the discrepancy between female and male estates in the proportion of estate held in real property in this percentile group. Over the 8 years under consideration the real property component for the middle 40% group, comprises between 44.1% and 51.2% of the gross value of female estates, and between 37.8% and 45.9% of male estates. The discrepancy between the proportion of estate in real property for females and males is even greater for the upper 20% of estates. For the bottom 10% and lower 20% of estates however, the proportion of male estates in real property surpasses that of female estates, with the difference being even more pronounced in the bottom 10% of estates.

Another significant feature revealed in Table 4.1 is that the proportion of real property in estates in each percentile grouping remains fairly constant over the years. For the bottom 10% of female estates the proportion of estate in real property ranged from 10.6% to 17.1%. For the lower 20% of estates the percentage of estate in real property remained close to the one third mark and for the middle 40% of estates real property comprised approximately half, or just below half the value of estates. For the larger female estates which fall into the categories of the upper 20% and top 10%, the proportion of estate made up of real property declines in relation to the value of the estate. Thus for the largest female estates (the top 10%) the percentage of estate in real property is smaller than for every other

category of estate except the bottom 10%. Table 4.2 shows that although the general distribution pattern of real property is similar for male and female estates (i.e. following something that resembles a bell curve) there are significant differences in the percentages of estate in real property according to the percentile groups. While, over the years the bottom 10% of male estates have between 15.9% and 26.4% of their estates in real property, for females this range is considerably lower at between 10.6% and 17.1%. The difference between female and male estates is less noticeable for the lower 20% of estates, but again is obvious in the middle 40% and upper 20% of estates, where the percentage of estate in real property is conspicuously higher in female estates. The top 10% of both female and male estates are however, similar in the percentages of real property they contain.

(ii) Cash:

For both female and male estates the proportion of the estate in cash declines markedly according to the increase in mean net estate size. For example, female estates for the year 1987/88 show that in the bottom 10% of estates, cash comprises 84.3% of the value of combined assets and debts. This figure lowers to 41.3% for estates in the lower 20% and decreases even further to 28.1% in the middle 40% and 24.9% in the upper 20% of estates. Only 16.3% of the upper 10% of female estates for the same year comprise cash. While the same overall trend is obvious in male estates, cash makes up a significantly lower percentage of male estates than female estates over all the years covered in these tables.

(iii) Stocks and Shares:

Tables 4.1 and 4.2 show that the pattern for stocks and shares is remarkably similar in terms of percentile groups both over the years 1980/81 to 1987/88 and for all estates. The percentage of estate in stocks and shares is relatively similar for females and males in the bottom 10%, lower 20% and middle 40% of the percentile groups, ranging from between 6.8% to 12.8% of estates. At between 12.8% and 17%, stocks and

Table 4.1 Deceased Females' Estates 1980/81 - 1987/88 (Percentage of net estate value)

Year	Percentile Group	mean net estate size	real property %	cash %	stocks/ shares %	assurance policies %	furniture /effects %	farm stock impl. %	pvte bus. interests %	loans %	other property %	notional estate %	foreign property %	total debts %	gross value of estates %
1980-81	0-10%	\$3,893	14.4	78.2	8.4	3.8	3.6	0.0	0.2	7.5	3.3	3.5	0.9	-23.8	123.8
	10-30%	\$11,881	32.9	44.7	10.0	2.6	2.5	0.0	0.2	10.2	3.2	4.0	0.7	-11.0	111.0
	30-70%	\$14,788	49.8	28.3	7.3	1.7	1.9	0.1	0.2	9.1	2.6	3.8	0.4	-5.1	105.1
	70-90%	\$50,846	37.6	26.8	12.9	1.1	1.9	0.1	0.8	13.2	3.6	3.8	1.1	-2.8	102.8
	90-100%	\$132,875	27.5	18.3	21.1	2.2	1.9	1.2	3.1	14.3	4.1	4.5	4.5	-2.7	102.7
1981-82	0-10%	\$4,502	16.1	75.2	9.5	4.9	4.2	0.1	0.2	7.1	4.9	2.3	0.5	-25.0	125.0
	10-30%	\$13,143	33.5	44.8	9.3	3.0	2.6	0.2	0.1	8.4	3.0	4.0	0.6	-9.5	109.5
	30-70%	\$16,296	47.9	29.9	7.9	1.8	1.9	0.1	0.3	9.0	2.5	3.4	0.4	-5.2	105.2
	70-90%	\$57,073	37.5	27.8	14.3	1.0	2.6	0.1	0.6	11.8	2.8	3.6	1.0	-3.0	103.0
	90-100%	\$154,135	24.3	19.3	27.1	0.8	2.4	0.6	2.3	13.2	3.9	3.8	4.8	-2.6	102.6
1982-83	0-10%	\$4,847	14.4	81.9	9.6	3.9	3.2	0.1	0.5	5.6	3.5	3.0	0.2	-26.0	126.0
	10-30%	\$14,299	33.0	45.7	8.9	3.5	2.8	0.2	0.3	9.2	3.4	4.4	0.1	-11.5	111.5
	30-70%	\$17,665	44.1	31.7	9.6	1.6	2.1	0.1	0.2	9.9	2.2	3.5	0.4	-5.2	105.2
	70-90%	\$62,095	40.0	27.0	12.8	1.1	2.3	0.2	0.4	11.2	3.8	3.2	0.9	-3.1	103.1
	90-100%	\$161,546	28.7	17.6	21.7	0.9	2.3	1.4	3.5	15.3	5.1	3.8	2.8	-3.2	103.2
1983-84	0-10%	\$5,769	15.9	80.1	12.8	3.7	3.3	0.1	0.1	7.6	2.1	3.0	0.0	-28.7	128.7
	10-30%	\$16,574	34.0	46.4	10.7	2.6	2.6	0.1	0.1	8.1	2.1	3.1	0.1	-9.7	109.7
	30-70%	\$21,428	46.8	29.4	9.7	1.3	2.2	0.0	0.0	9.4	2.2	3.0	0.5	-4.7	104.7
	70-90%	\$74,562	39.7	26.1	13.5	1.0	2.4	0.1	0.5	11.9	3.1	3.3	0.7	-2.4	102.4
	90-100%	\$190,374	28.1	19.6	26.0	1.1	2.5	1.0	2.2	13.1	3.2	2.9	2.8	-2.3	102.3
1984-85	0-10%	\$6,382	17.0	78.6	9.1	4.4	4.0	0.3	0.2	5.5	2.9	2.2	0.1	-24.3	124.3
	10-30%	\$19,001	35.5	43.9	10.6	2.3	2.4	0.0	0.2	9.1	1.9	2.6	0.3	-9.0	109.0
	30-70%	\$25,304	49.4	28.0	10.4	1.6	2.0	0.1	0.3	8.1	1.9	2.4	0.3	-4.5	104.5
	70-90%	\$88,901	41.1	24.8	16.1	1.1	2.3	0.1	0.7	11.3	2.3	1.9	0.6	-2.3	102.3
	90-100%	\$225,837	31.0	14.4	27.7	0.8	2.4	1.0	3.0	12.6	3.3	3.6	3.5	-3.2	103.2
1985-86	0-10%	\$6,665	13.8	82.7	10.6	4.3	2.8	0.1	0.5	6.0	1.7	0.8	0.3	-23.7	123.7
	10-30%	\$21,989	32.4	44.8	11.1	3.2	2.1	0.1	0.4	9.7	1.6	2.5	0.4	-8.3	108.3
	30-70%	\$29,894	50.8	27.2	10.2	1.1	1.8	0.1	0.2	7.4	1.7	3.0	0.3	-3.9	103.9
	70-90%	\$101,155	43.6	24.5	15.6	1.0	2.1	0.1	0.6	10.4	2.1	2.1	0.5	-2.7	102.7
	90-100%	\$264,203	28.9	16.5	29.2	1.0	1.8	1.6	1.9	12.4	3.0	3.5	2.5	-2.4	102.4
1986-87	0-10%	\$8,048	10.6	82.3	11.5	6.0	2.8	0.0	0.1	8.2	1.9	0.6	0.7	-24.7	124.7
	10-30%	\$26,056	32.7	43.3	11.4	3.1	2.2	0.1	0.1	9.3	1.7	3.8	0.3	-8.1	108.1
	30-70%	\$33,314	51.0	27.4	10.2	1.5	1.9	0.0	0.2	7.6	1.6	2.4	0.2	-4.0	104.0
	70-90%	\$113,490	43.1	25.2	15.4	1.2	2.1	0.2	0.7	9.1	1.7	2.9	0.8	-2.4	102.4
	90-100%	\$300,172	28.9	16.6	30.9	1.2	2.0	0.3	2.0	10.6	2.0	5.0	2.9	-2.5	102.5
1987-88	0-10%	\$8,620	17.0	84.3	10.8	5.3	3.6	0.1	0.9	5.4	1.4	2.0	0.2	-31.1	131.1
	10-30%	\$28,932	35.4	41.3	10.9	4.4	2.7	0.1	0.4	7.2	1.5	3.4	0.3	-8.0	108.0
	30-70%	\$37,724	51.2	28.1	9.9	1.8	1.6	0.1	0.5	6.5	1.7	2.5	0.2	-4.0	104.0
	70-90%	\$131,239	43.4	24.9	14.6	1.9	2.0	0.3	0.8	8.5	2.2	3.5	0.7	-2.6	102.6
	90-100%	\$352,814	27.2	16.3	31.6	1.2	1.9	0.3	1.4	10.0	3.0	5.2	4.5	-2.8	102.8

Table 4.2: Deceased Males' Estates 1980/81 - 1987/88 (Percentage of net estate value)

Year	Percentile Group	mean net estate size	real property %	cash %	stocks/ shares %	assurance policies %	furniture /effects %	farm stock impl. %	pvte bus. interests %	loans %	other property %	notional estate %	foreign property %	total debts %	gross value of estates %
1980-81	0-10%	\$4,930	21.0	53.0	10.2	17.9	9.2	0.5	0.5	4.2	6.0	6.3	0.7	-29.6	129.6
	10-30%	\$14,167	35.4	30.1	6.8	12.4	6.7	0.2	0.3	6.6	3.4	8.4	0.5	-10.8	110.8
	30-70%	\$17,739	41.4	22.0	7.7	9.9	4.9	0.2	0.5	7.3	3.2	8.2	0.8	-6.1	106.1
	70-90%	\$71,189	28.9	18.4	15.3	8.8	3.6	1.1	2.1	13.3	4.0	8.9	1.3	-5.7	105.7
	90-100%	\$218,138	27.7	11.3	18.5	4.3	2.0	4.4	7.2	16.8	3.5	7.2	2.9	-5.9	105.9
1981-82	0-10%	\$5,369	22.5	54.1	8.8	18.0	9.3	0.2	0.4	3.2	5.1	6.2	0.3	-28.0	128.0
	10-30%	\$15,506	35.7	32.6	7.0	12.9	6.1	0.3	0.7	5.3	3.6	6.5	0.6	-11.3	111.3
	30-70%	\$19,628	38.8	24.1	8.6	10.0	4.8	0.3	0.7	7.1	4.2	7.1	0.5	-6.3	106.3
	70-90%	\$78,861	28.5	18.4	15.4	8.9	3.6	0.8	2.1	13.6	4.3	7.9	1.5	-5.0	105.0
	90-100%	\$266,199	31.8	10.5	17.4	3.7	2.0	6.0	6.2	14.2	3.8	6.3	4.3	-6.2	106.2
1982-83	0-10%	\$5,643	22.3	57.3	8.7	17.1	9.4	0.5	1.0	4.7	4.8	5.4	0.1	-31.2	131.2
	10-30%	\$16,694	35.3	32.2	8.5	13.4	6.7	0.3	0.3	5.0	4.4	5.6	0.4	-12.0	112.0
	30-70%	\$21,572	37.8	23.8	10.3	9.8	4.9	0.4	0.5	6.7	4.0	7.2	0.4	-6.0	106.0
	70-90%	\$87,174	28.9	18.4	15.4	8.8	4.2	1.1	2.0	12.1	5.0	7.7	1.5	-5.1	105.1
	90-100%	\$287,637	29.9	12.4	18.2	3.8	2.1	4.4	7.0	16.1	4.2	5.7	2.3	-6.1	106.1
1983-84	0-10%	\$6,272	19.0	60.2	9.0	19.1	9.9	0.1	2.3	4.8	5.0	5.2	0.2	-34.9	134.9
	10-30%	\$19,480	36.4	32.6	8.9	13.4	6.5	0.2	0.8	4.7	2.7	5.0	0.6	-11.8	111.8
	30-70%	\$25,279	39.2	24.1	10.2	9.1	4.9	0.2	0.7	6.3	3.7	6.5	0.4	-5.3	105.3
	70-90%	\$99,068	30.7	19.5	16.8	7.4	3.8	1.1	2.1	11.7	4.1	6.5	0.7	-4.4	104.4
	90-100%	\$277,487	30.2	13.2	20.4	4.0	2.5	3.8	4.5	15.9	3.6	5.2	3.3	-6.5	106.5
1984-85	0-10%	\$7,011	21.5	56.8	9.9	19.2	8.5	0.5	0.7	4.0	5.1	5.7	0.3	-32.1	132.1
	10-30%	\$21,725	36.0	30.5	9.6	13.2	5.7	1.4	0.3	6.1	2.2	5.9	0.4	-11.2	111.2
	30-70%	\$30,433	42.1	23.0	10.1	8.7	4.5	0.3	0.5	7.3	2.9	5.0	0.4	-4.9	104.9
	70-90%	\$119,886	32.5	18.6	16.7	7.0	3.7	1.1	1.7	12.2	3.7	5.7	0.8	-3.5	103.5
	90-100%	\$339,522	29.0	12.0	24.4	3.4	2.1	3.3	7.2	14.1	2.7	4.5	2.6	-5.5	105.5
1985-86	0-10%	\$7,949	26.4	59.2	9.9	20.2	7.1	0.2	0.7	5.5	3.5	2.4	0.5	-35.7	135.7
	10-30%	\$25,560	37.7	31.5	9.1	11.7	5.4	0.2	0.6	5.1	2.6	4.7	0.4	-9.2	109.2
	30-70%	\$34,025	44.2	21.5	10.1	7.6	4.2	0.2	0.9	6.9	3.4	5.8	0.4	-5.3	105.3
	70-90%	\$130,906	33.8	17.6	17.0	6.3	3.9	1.0	2.1	11.4	3.5	6.3	1.0	-3.8	103.8
	90-100%	\$364,995	27.4	11.2	28.2	3.3	2.2	2.8	4.9	14.4	2.5	4.9	2.9	-4.7	104.7
1986-87	0-10%	\$8,799	17.3	62.2	11.1	16.6	7.1	0.2	0.6	4.4	2.3	3.2	0.2	-25.1	125.1
	10-30%	\$28,585	37.1	30.3	9.9	12.8	5.6	0.2	0.5	5.3	2.8	6.5	0.2	-11.2	111.2
	30-70%	\$38,048	45.9	21.9	10.3	8.1	4.2	0.2	0.6	5.4	2.5	5.6	0.2	-4.9	104.9
	70-90%	\$144,743	35.1	17.7	16.9	7.8	3.8	0.7	2.5	8.8	3.8	5.6	1.0	-3.6	103.6
	90-100%	\$376,937	26.2	12.4	26.6	4.5	2.6	2.1	5.7	12.2	2.8	5.8	3.5	-4.4	104.4
1987-88	0-10%	\$10,293	15.9	56.1	9.1	21.7	10.0	1.3	0.9	5.8	3.1	4.0	0.2	-28.1	128.1
	10-30%	\$32,688	38.6	29.8	8.5	14.7	5.2	0.9	0.5	5.5	2.6	5.8	0.2	-12.3	112.3
	30-70%	\$43,139	44.7	22.0	9.9	9.1	3.7	0.3	0.6	5.5	2.4	6.1	0.5	-4.7	104.7
	70-90%	\$165,617	36.3	18.0	15.5	7.8	3.6	0.7	1.9	9.5	3.4	6.9	0.9	-4.5	104.5
	90-100%	\$417,808	24.1	12.3	30.2	4.4	2.3	2.5	4.0	11.7	2.2	8.0	3.5	-5.2	105.2

shares form a more important component of the upper 20% of estates and, as might be expected, are significantly more important proportionately for the top 10% of both female and male estates. The most discernible change within the top 10% of estates for both sexes is the increase in the percentage of estates in stocks and shares over the 8 year period under consideration, an increase which likely reflects the growth and dynamism of the sharemarket of the mid 1980s.

(iv) Assurance Policies

For all estates, the percentage of estate in assurance policies reduces as estates increase in value and as Tables 4.1 and 4.2 show, assurance policies are a more important component of estates in the bottom 30% of estates than in the other three percentile groupings. Significant differences exist between the value of assurance policies in female and male estates. In all but the bottom 10% of female estates assurance policies play a very minor role and even in this category they do not make up more than 6% of female estates in any one year. By comparison, In the same category assurance policies account for between 16.6% and 21.7% of the bottom 10% of male estates.

(v) Furniture and Effects:

Although little variation is evident across all value groups in the extent of female estates made up of furniture and effects, this component nevertheless, makes up a slightly higher percentage of estates in the bottom 10% and lower 20% of estates than it does in the other three percentile groupings. Similarly for male estates, the importance of furniture and effects decreases as the size of the estate increases. In all but the top 10% and to a lesser extent the upper 20% of estates, furniture and effects as a component of estates is more significant for male estates. This is likely to reflect the higher ownership rates for males of cars, caravans, trailers and boats, all of which are included in this category.

(vi) Farm Stock and Implements:

At generally less than 1% of estates, farm stock and implements is a negligible component in all but the top 10% of male estates where it makes up between 2.1% and 6% of estates. The distribution within this component reflects both the fact that farm ownership tends to be a male phenomenon and that farm owners, although now a relatively small percentage of the total population would be likely to leave estates of relatively high value.

(vii) Private Business Interests:

Although overall private business interests do not make up a significant proportion of either female or male estates, again they are a component that is more important in the top 10% of estates and more important for male estates in this category than female estates.

(viii) Loans:

After real property, cash and stocks and shares, loans are the next most important asset in both female and male estates. As Tables 4.1. and 4.2 show, the percentage of estate in loans is similar for both female and male estates and increases in tandem with the increase in value of the estate. There has been little noticeable change in the proportion of estates in loans within the percentile groups over the 8 year period.

(ix) Other Property:

Little comment can be made about 'other property' except to note that the percentage of estates in this category remains relatively constant in both female and male estates in all percentile groups. Notional estate however, while not being of major significance in the estates of either females or males is still a more significant component in men's estates. Foreign property is of some significance only in the top 10% of both female and male estates.

(x) Debts:

While there is a tendency for male estates in all percentile groupings to have a higher proportion of debt than their female counterparts, the most remarkable feature of debts observable in Tables 4.1 and 4.2 is the extent of indebtedness in the bottom 10% of female and male estates. It is also noteworthy that the percentage of debt decreases markedly as the value of the estate increases, although it rises fractionally in the top 10 percentile group of estates. This obtains for both female and male estates. Little variation is observable in the percentile groupings across the years between either female or male estates.

The remaining table and graphs in this subsection are largely a rearrangement of the data in Tables 4.1 and 4.2 and designed to summarise the key findings of this section. For Table 4.3, the estate components set out in full in Tables 4.1 and 4.2, have been regrouped so that the components of furniture, effects etc, farm stock and implements, private business interests, other property, notional property and foreign property have been subsumed under the one category of other property. We are left with a less dense table showing the major estate components of real property, cash, stocks and shares, loans, other property and debts. These components were then averaged for the 8 year period 1980/81 to 1987/88. The major point this table illustrates is the relative importance of the various categories of assets and debts according to estate value. The same data are shown in graph form in Figures 4.1 and 4.2.

The key features of Table 4.3 and Figures 4.1 and 4.2 are that real property is the most important component of estates in the middle 40%, upper 20% and top 10% of both female and male estates and the lower 20% of male estates. It is only in the bottom 10% and lower 20% of female estates that cash surpasses real property as the single major component. In the bottom 10% of male estates both cash and the combined category of 'other property' comprise a greater percentage of average estates. Figures 4.1 and 4.2 display clearly the difference in the comparative make up between female and male estates by estate size. Of particular significance is the greater proportion of other property in male

Table 4.3: Distribution of Estate Components (Averaged over 1980/81-1987/88)

		percentage of net estate value					
	percentile group	real property	cash	stocks/ shares	loans	other property	total debts
Female	0-10%	14.9	80.4	10.3	6.6	13.7	-25.9
	10-30%	33.7	44.4	10.4	8.9	12.0	-9.4
	30-70%	48.9	28.7	9.4	8.4	9.2	-4.6
	70-90%	40.7	25.9	14.4	10.9	10.7	-2.7
	90-100%	28.1	17.3	26.9	12.7	17.7	-2.7
Male	0-10%	20.7	57.4	9.6	4.6	38.3	-30.6
	10-30%	36.5	31.2	8.5	5.5	29.5	-11.2
	30-70%	41.8	22.8	9.7	6.6	24.6	-5.4
	70-90%	31.8	18.3	16.1	11.6	26.6	-4.4
	90-100%	28.3	11.9	23.0	14.4	27.9	-5.6

Figure 4.1: Distribution of Components of Female Estates
(Averaged over years 1980/81 ~ 1987/88)

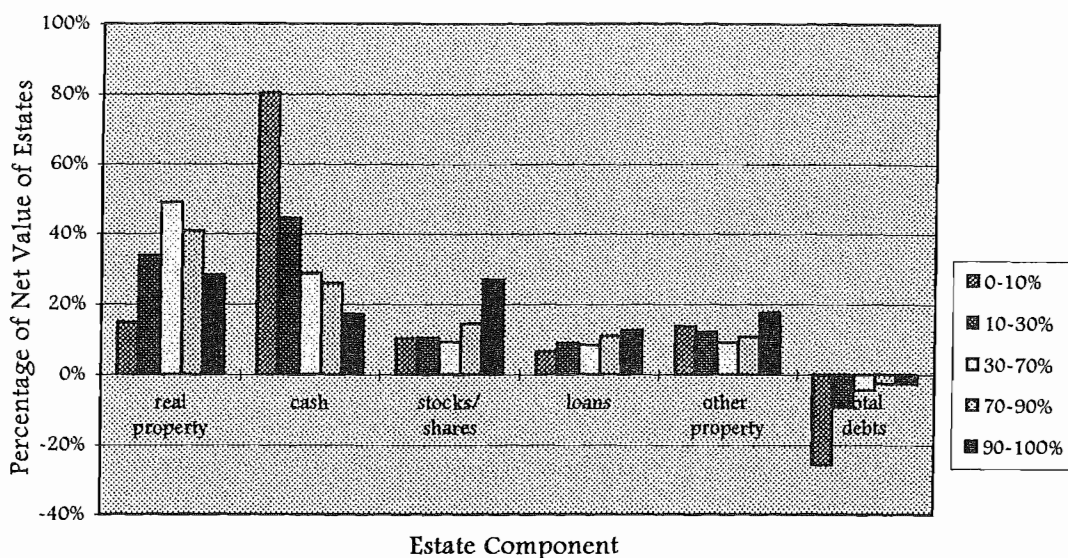
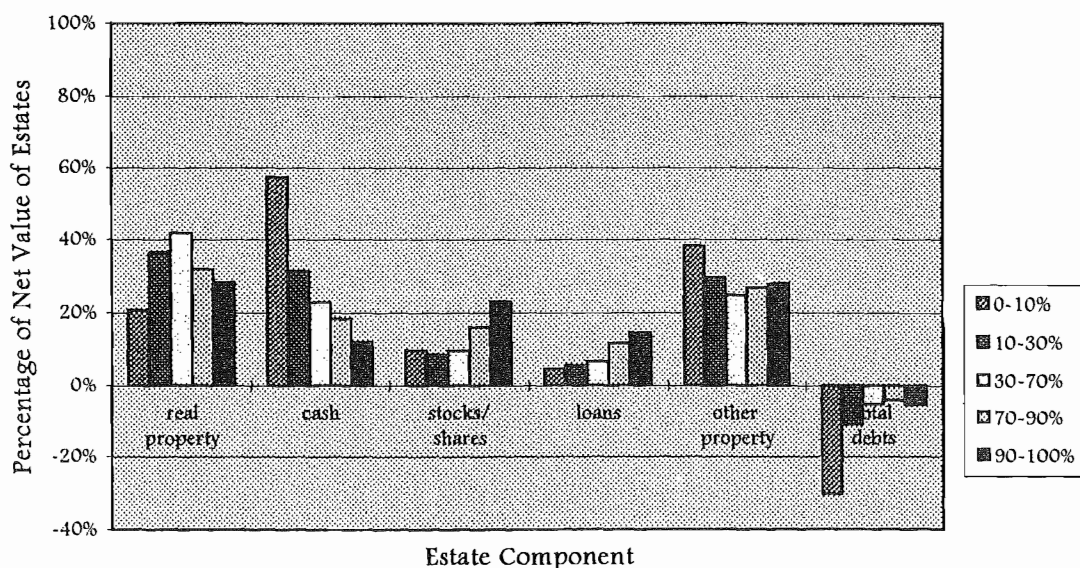


Figure 4.2: Distribution of Components of Male Estates
(Averaged over years 1980/81 ~ 1987/88)



estates, the greater importance of cash in the smaller female estates and the comparatively high percentage of debts in the bottom 10% of both female and male estates.

4.4.2 Estate Values: 1980/81 to 1987/88

In the previous section I presented data on the make up of estates which illustrated the differences between female and male estates and differences within the percentile groupings for each of these categories. In this section I shift the focus onto the monetary value of estates. Table 4.4 shows the mean estate value for each year from 1980/81 through to 1987/88 for both female and male estates. These values are expressed in nominal terms and in real dollar terms using December 1993 dollars.¹⁰

Table 4.4: Mean Estate Values

Year	Females		Males		Ratio of Female to Male Estate
	Nominal	Real \$1993	Nominal	Real \$1993	
1980-81	\$36,573	\$104,495	\$51,794	\$147,984	0.71
1981-82	\$41,314	\$102,261	\$59,769	\$147,943	0.69
1982-83	\$44,283	\$94,019	\$65,201	\$138,431	0.68
1983-84	\$52,840	\$106,319	\$69,780	\$140,402	0.76
1984-85	\$62,514	\$117,728	\$84,277	\$158,714	0.74
1985-86	\$72,640	\$117,541	\$92,404	\$149,521	0.79
1986-87	\$82,049	\$119,606	\$99,871	\$145,585	0.82
1987-88	\$94,582	\$117,933	\$112,667	\$140,482	0.84

¹⁰ It was decided to use the September CPI for each year to convert the nominal values to real values on the grounds that the September CPI is the most representative CPI quarter. Given that the reporting of deceased persons' estates data was a process spread out over the whole of the March to March tax year September represents the mid point of the tax year.

Two features of Table 4.4 are worth noting. First, male estates have significantly higher mean values than female estates, although the discrepancy appears to be reducing in the latter years included in the table. The comparative size of female to male estates was also noted in the British research. For example, Hamnett *et al.* found that for the year 1981, the value of female estates was on average 70% of male estates, while Munro's research showed that in 1984, the value of the female estates in her sample was 83% of the value of the male estates. Second, apart from the year 1982/83 there is a steady increase in the mean value of female estates, while the overall trend for male estates is one of slight decline.

I constructed Tables 4.5 and 4.6 in order to examine possible changes in the distribution of estate values over time. In particular I wanted to observe whether the distribution became more spread out which could indicate that the wealthier were leaving estates of greater value and the less affluent leaving estates of lesser value. These tables were also constructed so that I could further explore the gender dimension of estate values. A table of percentiles is a useful way of exhibiting the general shape of a distribution. For the purposes of constructing these tables the 5th, 20th, 50th, 80th and 95th percentiles were chosen because they are the middle points of the percentile groupings used in Tables 4.1 to 4.3 and provide enough points on the percentile range to well illustrate the distribution spread.

An interesting feature that shows up in Tables 4.5 and 4.6 is that the mean is significantly higher than the median (the 50th percentile), indicating a distribution skewed to the right. This result should not be surprising. It is simply the effect of including some estates of very high value. The numbers in Tables 4.5 and 4.6 echo those in Table 4.4 in terms of demonstrating the significantly lower value of female estates relative to male estates. A comparison of real values for the 5th, 20th and 50th percentiles for both female and male estates shows little variation over the years. Both female and male estates on the 80th percentile show some variation with the overall upward trend being somewhat more

Table 4.5: Percentiles of Female Estates

Year	Nominal Dollars						Real Dollars (1993)					
	5th percentile	20th percentile	50th percentile	80th percentile	95 th percentile	Mean	5th percentile	20th percentile	50th percentile	80th percentile	95 th percentile	Mean
1980-81	3,928	12,104	25,294	49,150	103,610	36,573	11,223	34,583	72,270	140,429	296,029	104,495
1981-82	4,733	13,277	27,762	55,321	118,587	41,314	11,715	32,864	68,719	136,933	293,532	102,261
1982-83	5,079	14,439	30,156	59,928	124,051	44,283	10,784	30,656	64,025	127,237	263,377	94,019
1983-84	6,104	16,548	36,506	72,594	150,162	52,840	12,281	33,296	73,453	146,064	302,137	106,319
1984-85	6,924	18,741	43,419	86,169	180,653	62,514	13,040	35,294	81,768	162,278	340,213	117,728
1985-86	7,043	21,975	51,453	98,075	199,839	72,640	11,396	35,558	83,257	158,697	323,364	117,541
1986-87	8,474	25,982	57,300	109,290	242,988	82,049	12,352	37,875	83,528	159,315	354,210	119,606
1987-88	8,960	29,056	64,691	126,052	276,778	94,582	11,172	36,229	80,662	157,172	345,110	117,933

Table 4.6: Percentiles of Male Estates

Year	Nominal Dollars						Real Dollars (1993)					
	5th percentile	20th percentile	50th percentile	80th percentile	95 th percentile	Mean	5th percentile	20th percentile	50th percentile	80th percentile	95 th percentile	Mean
1980-81	5,091	14,342	30,125	67,218	177,186	51,794	14,545	40,976	86,070	192,052	506,246	147,984
1981-82	5,502	15,666	33,085	75,000	199,277	59,769	13,620	38,776	81,892	185,644	493,260	147,943
1982-83	5,884	16,806	36,303	82,617	220,642	65,201	12,493	35,682	77,077	175,407	468,453	138,431
1983-84	6,524	19,420	42,808	94,898	231,938	69,780	13,127	39,074	86,133	190,941	466,677	140,402
1984-85	7,409	21,780	51,774	114,056	280,992	84,277	13,953	41,018	97,502	214,796	529,175	158,714
1985-86	8,193	25,625	57,716	125,208	306,448	92,404	13,258	41,465	93,392	202,601	495,870	149,521
1986-87	9,150	28,914	64,487	138,261	323,896	99,871	13,338	42,149	94,004	201,546	472,152	145,585
1987-88	10,814	32,897	72,548	157,528	341,409	112,667	13,484	41,018	90,458	196,419	425,697	140,482

Figure 4.3: Percentiles of Net Estates: Females,
1980/81 - 1987/88

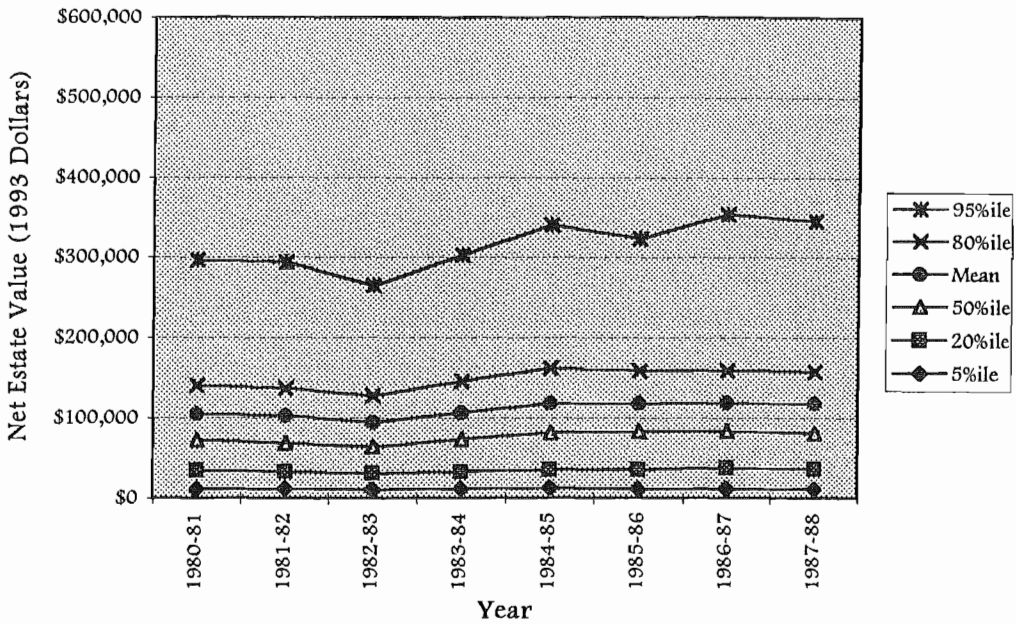
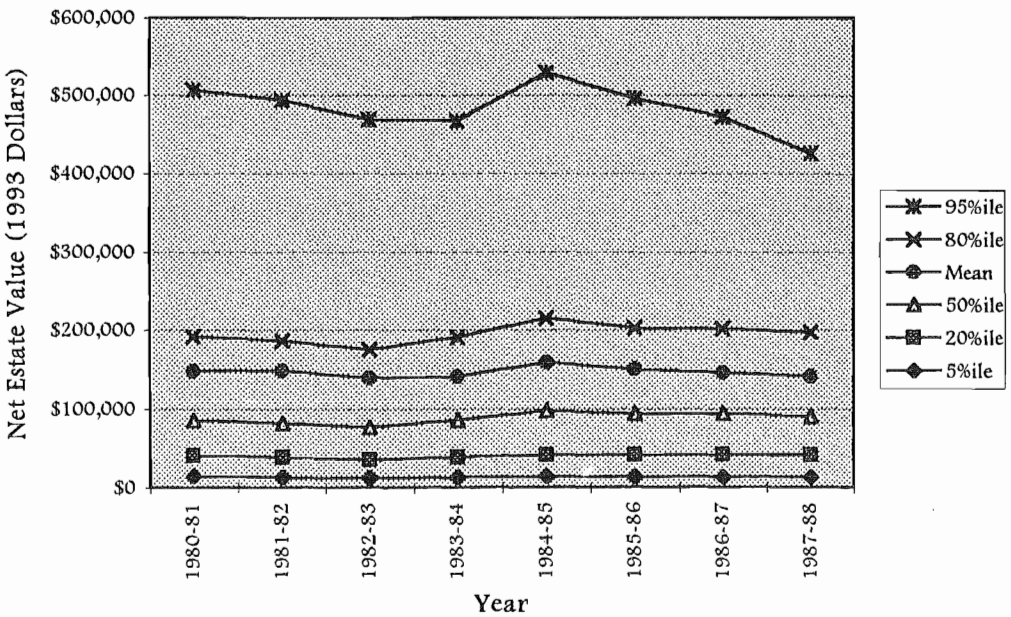


Figure 4.4: Percentiles of Net Estates: Males,
1980/81 - 1987/88



pronounced in female estates. It could be said however, that the values of estates on the 5th, 20th, 50th and 80th percentiles have remained relatively constant. More variation is exhibited in the value of estates on the 95th percentile, with female estates on this percentile increasing in real terms over the years and male estates declining in value.

The real values shown in Tables 4.5 and 4.6 are plotted in Figures 4.3 and 4.4. Here the relative constancy of estate values for both female and male estates on the 5th, 20th, 50th and 80th percentiles is clearly observable, as is the constancy of the mean estate value over the years. Figures 4.3 and 4.4 also demonstrate the wide gulf that exists between the value of estates on the 80th percentile and those on the 95th percentile and the significantly lesser value of large female estates.

4.4.3 Estate Components: 1989/90 to 1991/92

Changes in 1990 in the form of data collection for deceased persons' estates meant it was necessary to treat the data for these three years separately. Previously the data were collected according to the date at which the assessment of estate duty tax was made. By contrast, the dates included in the tables and graphs in this section indicate the date at death of the estate holder. Earlier in this chapter (Section 4.3.) the reasons for the incomplete coverage of assets and debts of all deceased people in deceased persons' estates was discussed, but no indication of the extent of this lack of coverage was provided by Statistics New Zealand. However, for the three years under consideration in this section, these figures were available. For the year ended March 1990, the total number of deceased persons' estates represents 48.2% of the number of deaths for the year. For the years ending March 1992 and March 1993 this percentage declines to 44% and 42.9% respectively. As previously noted too, the original data did not differentiate between estates by sex in the section on estate components. Despite the differences between the two original data sets, the analysis of this second data set has been undertaken in such a way that the tables and graphs in this section can be set alongside those in Section 4.4.1 to continue the series.

Table 4.7 shows the distribution of the components of combined female and male estates for the years 1989/90 to 1991/92 according to percentile group. Set alongside Tables 4.1 and 4.2 the following similar features are obvious:

(i) Real Property:

Real property comprises the single most important component of all estates except those falling into the two extreme categories: the top and the bottom 10% of estates.

(ii) Cash:

Cash is the single largest component of estates in the bottom 10% of estates and as estates increase in size the proportion of cash to overall estate size reduces markedly.

(iii) Other Assets:

The most obvious comment I can make about this category is that it is the largest single estate component in the top 10% of estates and is second to cash as the most important component of estates in the lowest percentile group. However, little can be said about the category given the diversity of its components. It is quite problematic to equate the possible six figure sums that could be found in stocks and shares or loans in the top 10% of estates, with the few thousand dollars in perhaps a vehicle, small assurance policy or furniture and effects in the bottom 10% of estates. It is unfortunate that no separate category for stocks and shares was included in this second data set, as it makes it impossible to conjecture on the likely impact of the 1987 stock market crash on the stocks and shares component of estates, especially the larger estates .

(iv) Notional Estate and Foreign Property:

Table 4.7 shows notional estates and foreign property are of significance only in the top 10% of estates.

Table 4.7: Distribution of Components of Combined Estates (a)

year	percentile group	mean net estate value	percent of net estate value						
			real property	cash	other assets	notional estate	foreign property	total debts	gross value of estates
1989-90	0-10%	\$19,686	34.7	60.7	39.5	1.1	1.0	-37.1	137.1
	10-30%	\$40,775	42.7	39.6	25.3	1.3	0.8	-9.6	109.6
	30-70%	\$86,579	49.6	30.7	22.2	1.5	0.6	-4.7	104.7
	70-90%	\$181,665	45.1	25.3	30.3	2.2	1.1	-4.1	104.1
	90-100%	\$515,131	28.1	17.9	48.4	6.3	4.4	-5.0	105.0
1990-91	0-10%	\$19,218	25.3	70.1	36.8	1.4	1.3	-34.9	134.9
	10-30%	\$39,466	40.5	42.8	24.9	1.3	0.9	-10.4	110.4
	30-70%	\$97,474	51.4	30.7	20.0	1.1	0.9	-4.1	104.1
	70-90%	\$199,654	45.1	27.8	27.0	1.6	2.1	-3.7	103.7
	90-100%	\$524,180	28.3	18.8	46.8	6.2	4.9	-5.0	105.0
1991-92	0-10%	\$16,267	30.2	83.1	57.4	2.2	0.7	-73.5	173.5
	10-30%	\$41,257	40.2	43.8	25.2	1.3	0.7	-11.2	111.2
	30-70%	\$102,416	52.1	31.2	19.6	0.9	1.0	-4.8	104.8
	70-90%	\$211,021	44.2	30.3	26.1	1.3	1.8	-3.7	103.7
	90-100%	\$564,606	24.7	20.9	45.1	5.9	6.6	-3.2	103.2

(v) Total Debts:

Total debts comprise a far greater percentage of estates in the bottom 10% of estates than they do in the estates of any other percentile group. In addition, the proportion of indebtedness declines as the size of the estate increases.

One pattern that appears different from that in Tables 4.1 and 4.2 is the degree of indebtedness in the bottom 10% of estates for all three years covered in Table 4.7, but particularly for the year 1991/92 in which total debts are 73.5% of the net value of the estate. It could be concluded that for these three years the indebtedness has risen markedly for the bottom 10% of estates. Such a conclusion however might be somewhat spurious. A more plausible explanation could be the inclusion of negative estates in the original figures for the years 1989/90 to 1991/92 and the exclusion of these for the earlier data set. That explanation would help account for the large jump in indebtedness for the year 1991/92. Going back to the original data sheds some light on the issue by revealing that for the year 1991/92, 0.66% of all estates were negative estates, with an average debt of -\$54,240, whereas for the year 1989/90, 0.5% of all estates were negative with an average debt of -\$27,320.

(vi) Mean Net Estate Value:

A similar pattern of distribution of mean net estate value can be observed in Tables 4.1, 4.2 and 4.7, with a marked difference exhibited between the value of estates in the top 10% of estates and the other percentile groups.

The categories in Table 4.8 are similar to those in Table 4.7 except that notional estate and foreign property are included in the category other assets. The estate components were combined in this way in order to reinforce the point made throughout this analysis of the importance of real property in all estates apart from those at the extremes of the distribution. Again this table illustrates the importance of cash and the impact of debts in the bottom 10% of estates, and the significance of other property in the top 10% of estates.

Table 4.8: Distribution of Components of Combined Estates (b)*

Year	Percentile Group	real property %	cash %	other assets %	total debts %
1989-90	0th-10th	34.7	60.7	41.6	-37.1
	10th-30th	42.7	39.6	27.3	-9.6
	30th-70th	49.6	30.7	24.3	-4.7
	70th-90th	45.1	25.3	33.6	-4.1
	90th-100th	28.1	17.9	59.0	-5.0
1990-91	0th-10th	25.3	70.1	39.4	-34.9
	10th-30th	40.5	42.8	27.2	-10.4
	30th-70th	51.4	30.7	22.0	-4.1
	70th-90th	45.1	27.8	30.8	-3.7
	90th-100th	28.3	18.8	58.0	-5.0
1991-92	0th-10th	30.2	83.1	60.2	-73.5
	10th-30th	40.2	43.8	27.2	-11.2
	30th-70th	52.1	31.2	21.5	-4.8
	70th-90th	44.2	30.3	29.2	-3.7
	90th-100th	24.7	20.9	57.6	-3.2

* 1989/90 - 1991/92

To create Table 4.9 a similar procedure was followed as that followed for Table 4.3. This entailed averaging the estate components utilised in Tables 4.7 and 4.8, for the three years 1989/90 through 1991/92. Table 4.10 is similar to Table 4.9 except that it adds notional property and foreign property to the category of other assets. Again the key point these tables illustrate is the importance of real property in the make up of deceased persons' estates. Tables 4.9 and 4.10 show that for 60% of all estates for the years 1989/90 through 1991/92 (those that fall into the 30th to 90th percentiles) real property is the single most important asset. In the estates which fall between the 10th and 30th percentiles it is still a major component of estates and becomes less important only in estates at the two extremes of the distribution. Tables 4.9 and 4.10 reinforce the point that the relative importance of cash declines as an estate component as estates increase in size and that small estates have a greater proportion of indebtedness than moderate and large estates. These points are shown again in graphic form in Figure 4.5.

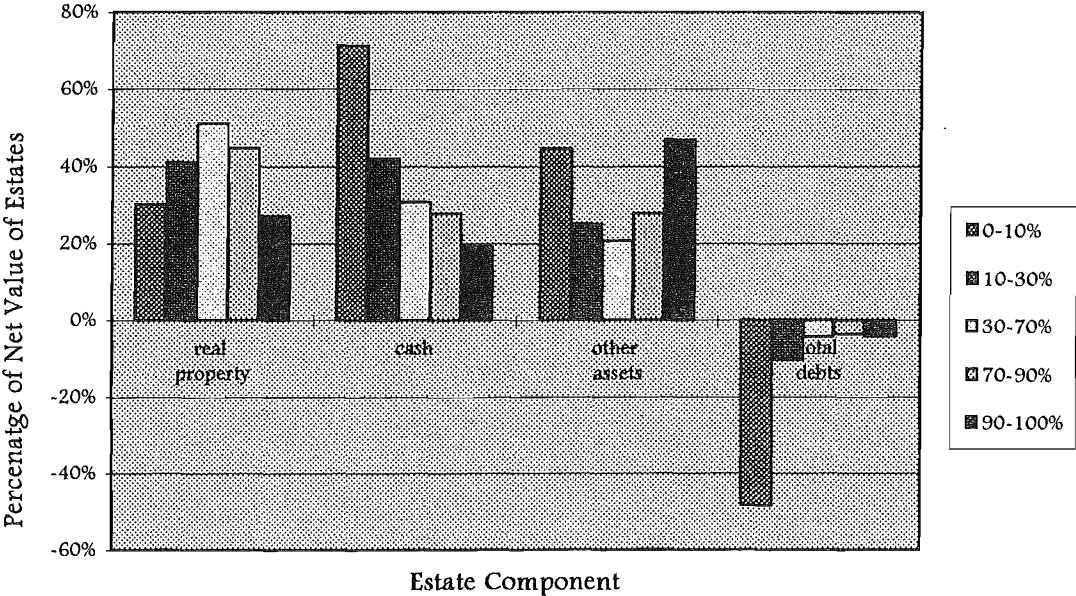
Table 4.9: Components Averaged for All Estates, 1989-1992

Percentile Group	real property %	cash %	other assets %	notional estate %	foreign property %	total debts %	gross value of estates %
0th-10th	30.1	71.3	44.6	1.5	1.0	-48.5	148.5
10th-30th	41.1	42.0	25.1	1.3	0.8	-10.4	110.4
30th-70th	51.0	30.9	20.6	1.1	0.9	-4.5	104.5
70th-90th	44.8	27.8	27.8	1.7	1.7	-3.8	103.8
90th-100th	27.0	19.2	46.8	6.1	5.3	-4.4	104.4

Table 4.10: Combined Components Averaged for All Estates, 1989-1992

Percentile Group	real property %	cash %	other assets %	total debts %
0th-10th	30.1	71.3	47.1	-48.5
10th-30th	41.1	42.0	27.3	-10.4
30th-70th	51.0	30.9	22.6	-4.5
70th-90th	44.8	27.8	31.2	-3.8
90th-100th	27.0	19.2	58.2	-4.4

Figure 4.5: Distribution of Components of Estates
(Averaged over years 1989/90-1991/92)



4.4.4 Estate Values: 1989/90 - 1991/92

The material in this section on the monetary values of estates for the years 1989/90 through 1991/92 is designed to complement that in Section 4.4.2. Table 4.11 shows mean estate values, expressed in both nominal terms and real 1993 dollars, for female and male estates for the years 1989/90, 1990/91 and 1991/92. When set alongside Table 4.4 it is clear that in real terms, the average value of both female and male estates has increased. The extent and pattern of the increase however, differs between the two groups. Apart from the year 1982/83, female estates show a steady increase in real value, whereas the pattern of increase for male estates is more varied, with some years exhibiting increases and others decreases.

Table 4.11: Mean Estate Value

Year	Females		Males		Ratio of Female to Male Estates
	Nominal \$	Real \$ (1993)	Nominal \$	Real \$ (1993)	
1989-90	122,401	134,803	141,968	156,353	0.86
1990-91	130,667	136,967	151,955	159,282	0.86
1991-92	140,519	144,270	159,380	163,634	0.88

The data in Tables 4.12 and 4.13 can be set alongside those in Tables 4.5 and 4.6 in order to observe longer term trends in the distribution of estate values. As in Tables 4.5 and 4.6 the choice of the 5th, 20th, 50th, 80th and 95th percentiles was made for two reasons. First, to illustrate the distribution of the estate values and second, because they are the middle points, or medians of the percentile groupings used in Tables 4.7 to 4.10.

As in the earlier set of tables the same point needs to be made that the mean is significantly higher than the median, which again reflects the effect of including some estates of very high value in the data set. A new pattern however appears to be emerging which can be seen in Tables 4.12 and 4.13: that of estates on the 5th and 20th percentiles being higher in value than their male counterparts.

Table 4.12: Percentiles of Female Estates

	Nominal Dollars					Real Dollars (1993)					
Year	5th %ile	20th %ile	50th %ile	80th %ile	95th %ile	5th %ile	20th %ile	50th %ile	80th %ile	95th %ile	mean
1989-90	9,446	39,313	85,027	159,445	361,703	10,403	43,296	93,642	175,601	398,351	134,803
1990-91	9,706	41,009	96,523	181,747	380,549	10,174	42,986	101,177	190,510	398,899	136,967
1991-92	10,398	43,972	103,003	201,511	391,086	10,676	45,146	105,753	206,890	401,526	144,270

Table 4.13: Percentiles of Male Estates

	Nominal Dollars					Real Dollars (1993)					
Year	5th %ile	20th %ile	50th %ile	80th %ile	95th %ile	5th %ile	20th %ile	50th %ile	80th %ile	95th %ile	mean
1989-90	9,077	40,312	89,888	200,084	415,250	9,996	44,397	98,995	220,357	457,324	156,353
1990-91	8,329	36,945	100,191	221,081	459,802	8,730	38,727	105,022	231,741	481,972	159,282
1991-92	7,931	36,896	104,759	224,199	464,300	8,142	37,881	107,555	230,183	476,694	163,634

Figure 4.6: Percentiles of Net Estates:
Females, 1989-1992

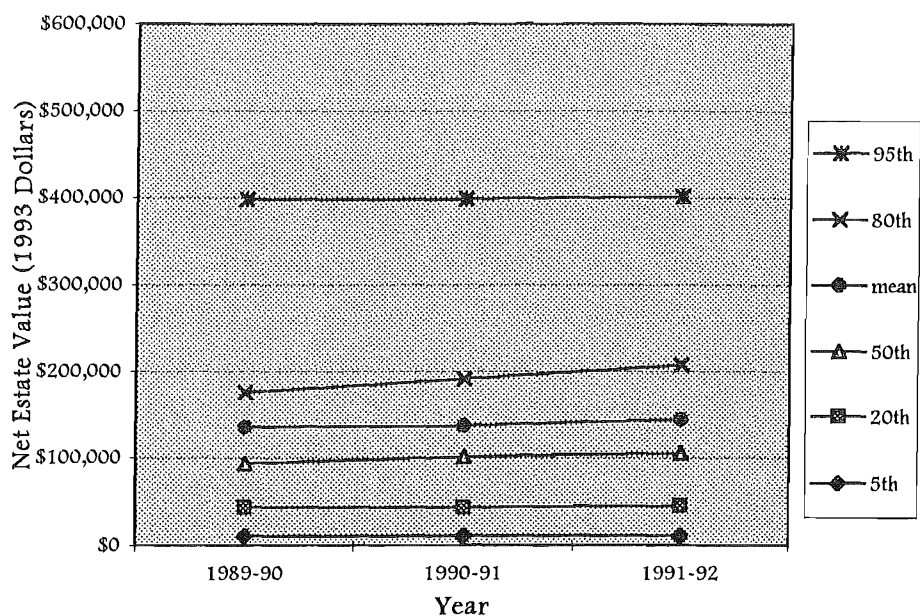
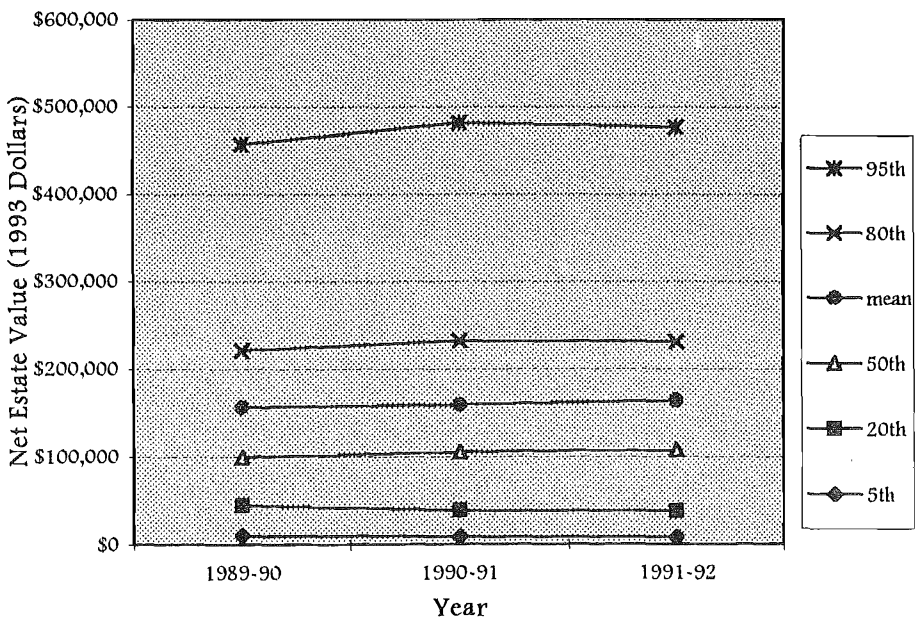


Figure 4.7: Percentiles of Net Estates:
Males, 1989-1992

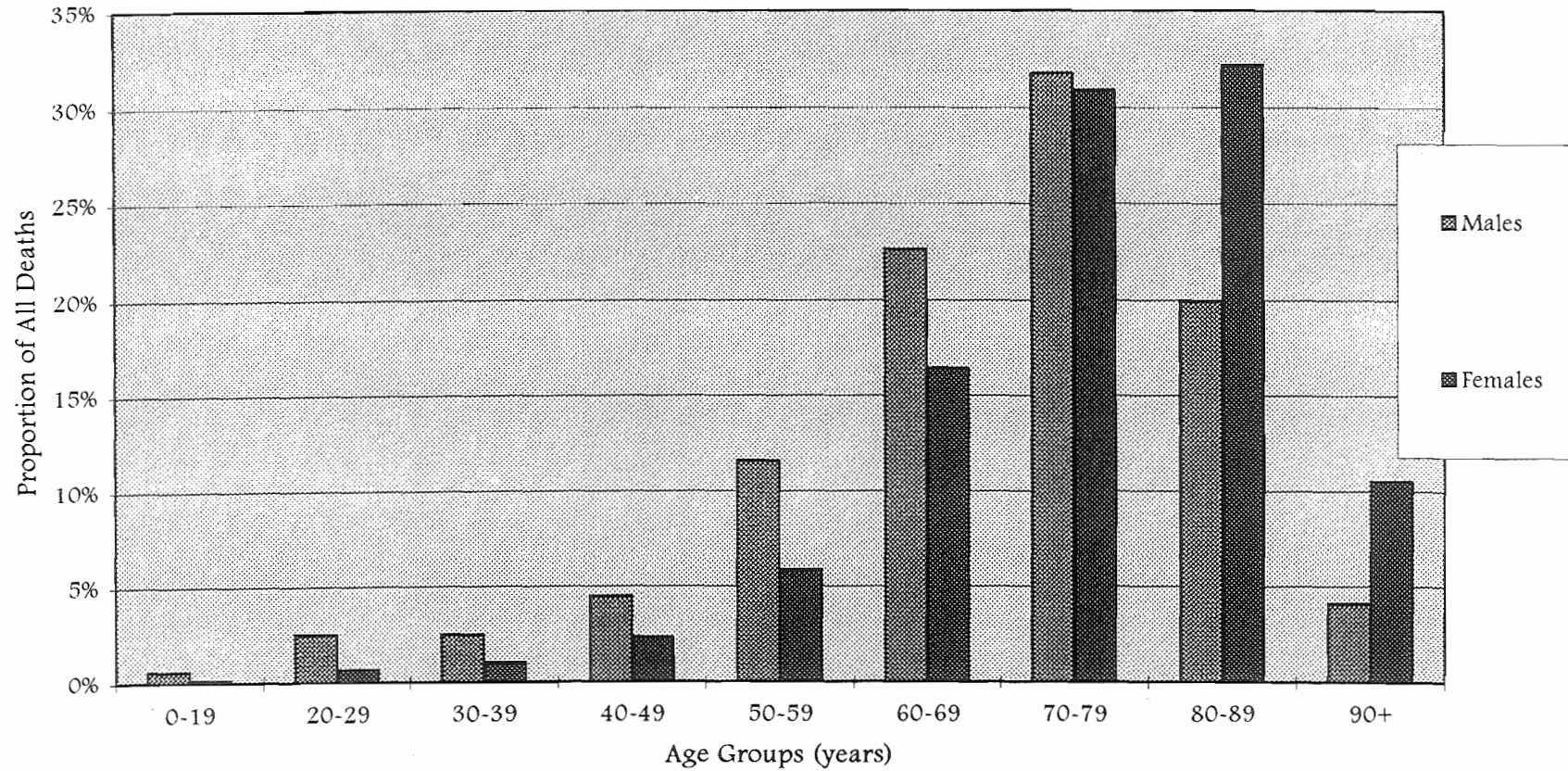


Estates on the 50th percentile are relatively similar in value and it is not until the 80th percentile that the earlier pattern of distinctly higher values for male estates is in evidence. Tables 4.12 and 4.13 show that female estates on the 80th percentile have increased in value proportionately more than their male counterparts. An interesting feature of long term trends of estate value for male estates on the 95th percentile is that the downward trend from the early to the late 1980s appears to be reversing. However, the figures show that the real values of male estates on the 95th percentile are lower in the 1990s than they were in the early 1980s. The real values shown in Tables 4.12 and 4.13 are plotted in Figures 4.6 and 4.7.

4.4.5. Age at Death: 1980/81 to 1987-88

The decedent's age at death has implications for intergenerational wealth transfers, in particular for the age at which children will inherit from their parents. The age at death distributions for females and males was obtained from the aggregate statistics data. These data only cover the years 1980/81 to 1987/88 as age at death was not recorded separately for females and males in the data set covering the years 1989/90 to 1991/92. The principal feature of age at death distribution as illustrated in Figure 4.8, is the lower death rates for women in each of the first seven age groups and the lower death rates for men in the final two age groups. These figures simply indicate that on average women die later than men. The graph shows that for males the modal age group for age at death was 70-79 and for females was 80-89. The cumulative frequency shows that the age at death was under 60 for some 21.7% of males, under 70 for 44.3% of males, and under 80 for 76% of males. In other words, more than three quarters of male deaths in this sample had occurred before the age of 80. By comparison, the age at death was under 60 for only 10.2% of females, under 70 for 26.6% of females, and under 80 for 57.5% of females. Approximately 42.7% of females in the sample died at age 80 or over.

Figure 4.8: Distribution of Age at Death
(1980/81-1987/88)



4.5 Conclusion

Certain problems are always associated with the use of official statistics for secondary analysis. Despite these problems the analysis of estate make up, estate value and age at death have been informative. Of greatest significance for this thesis is the data demonstrating the importance of real property in the estates of New Zealanders. Taking real property as a proxy for housing property, the analysis presented in Section 4.4. supports the findings in the British literature on the importance of this type of property as a component of the majority of deceased persons' estates. The argument is also made in this literature that increased rates of home ownership coupled with house price inflation will impact strongly on estate values and thus make inheritance something of an unexpected windfall. From the data presented here it can be seen that the mean value of estates, in real terms, has risen over the years since 1980, more especially for female than male estates. While this trend might be the result of the increase in the home ownership rates of past decades and house price inflation of the 1970s and 1980s, it is still very difficult to say that it is housing wealth that has caused this increase. Whether this trend will continue is also uncertain. It is possible that the 1993 changes to health care charges for the elderly in long term hospital care, might impact on the value of deceased estates and thus stem the continuation of this trend.¹¹ One issue that the figures presented here shed no light on is regional differences in house price inflation that has occurred in the last two decades.

¹¹ Until July 1993 the cost for long stay geriatric patients in public hospitals was the loss of their government superannuation. This took place after 13 weeks in care. In July 1993, legislation was brought in that subjected this group of elderly to asset testing. The main points of the new law was that long stay elderly patients entering a hospital or rest home and in need of a state subsidy, had to give up any annual income and/or progressively sell their assets (or have them sold for them) in order to pay for their care. When the legislation was first brought in the allowable level of asset retention was \$6,500 for a single and \$13,000 for a married couple, both of whom were in indefinite care. If only one spouse was in care the income threshold was \$20,000. In this situation the family home, car and normal living items were exempt from consideration. In March 1994, changes to the legislation were made. The level of allowable asset retention was raised to \$40,000 for a married couple of whom one partner was in long term care and the level of payment for all long stay care limited to \$636 a week.

A key point revealed in the data on estate make up is the extent of variation in the proportions of estate components according to the sex of the decedent and the percentile grouping into which the estate falls. Female and male estates tend to differ in their overall make up, with female decedents having a higher proportion of their estates in cash and a lower proportion in assurance policies and debts. The proportions of the other estate components tend to vary by sex according to the percentile grouping into which the estate falls. For example, the category real property is a larger proportion of male estates in the two lower percentile groupings and of female estates which fall in the 30th to 100th percentiles. The extent of indebtedness of estates also varies between sexes and among percentile groupings with male estates generally exhibiting higher levels of indebtedness and the proportion of debts in an estate declining according to estate size.

The main points that emerged from the data on estate values was the difference in estate values across commensurate percentiles between female and male estates, the relative constancy in estate value over time and the gulf between estates values in the top 10% of estates and all other estates.

The data on age at death showed that male death rates were higher in all age groups up to and including the 70-79 age group. On average the female decedents had lived a number of years longer than the men. The pattern of higher male indebtedness might also be related to younger average age at death.

A number of inferences can be made from the data presented in this chapter. Figures on age at death and estate values indicate that males tend to die earlier than females and leave more valuable estates. Because of the pattern of greater longevity for females and the common inheritance pattern of the estate being passed to the spouse before it is transmitted intergenerationally, the earlier age at death for males may not have a very significant impact on the final value of estates that are handed onto the next generation. An examination of inheritance patterns will form part of Chapter 5 and will provide information on average

age and number of beneficiaries. Combining this information with the data on estate values in this chapter will allow more informed comment to be made on aspects of the intergenerational transmission of estates.

4.6 Summary

Data on deceased persons' estates is normally collected for the purpose of assessing estate duty. It is common however, that researchers interested in inheritance also use these data as the basis for their empirical investigations. The literature review in this chapter noted the use of these data and other official statistics in relevant international studies of wealth inheritance and housing wealth inheritance. Deceased persons' estate data was also used in the present chapter as the basis for the examination of aspects of inheritance in New Zealand.

The main body of this chapter comprised a secondary analysis of deceased persons' estate data covering the years 1980/81 to 1991/92. The focus of this analysis was threefold: the type of assets or debts that make up estates with particular emphasis on the real property component, the value of estates and the age at death of the decedent.

The analysis demonstrated the importance of real property in deceased persons' estates. It also showed that deceased persons' estates are quite strongly differentiated by sex of the decedent and relative estate size.

The findings presented showed that on average, female estates were of lower monetary value than male estates and tended to contain somewhat different components than male estates in the same percentile ranges. For medium and high value female estates, real property was a major estate component. Female estates of least value were made up largely of cash. For the top 10% of female estates the proportions of stocks, shares and real property were similar to those of their male counterparts.

Male estates tended to be more indebted than female estates, especially those estates in the bottom 10% of estates and for most male estates the proportion of estate in cash and assurance policies was higher than their female counterparts.

The age at death data showed the greater longevity for females in the sample. The implications of this for intergenerational wealth transfers were discussed.

This chapter has examined aspects of deceased persons' estates from a period from 1980 through to 1992. In the following chapter I focus specifically on one component of these estates: housing property.

LAND TITLES OFFICE DATA

5.1 Introduction

My purpose in this chapter is to offer an insight into the process of housing wealth inheritance in New Zealand. I do this through presenting case study data on a sample of transmissions, or properties passed on at death. The sample was made up of 579 transmissions lodged at the Christchurch Land Titles Office in 1989. The case study data opens up two broad areas of examination. The first concerns the ‘who’ of housing wealth. Here the focus is on the characteristics of the decedents who leave housing wealth in terms of their age at death, sex, marital status, and number of children. The second area of exploration concerns the ‘what’ of housing wealth inheritance and focuses on the housing property that was transmitted. More specifically I address the following questions. What was the ownership status of the property at the time of the decedent’s death? How long had the decedent lived in the property? Was the property sold after it was transmitted and if so what was its selling price? By putting together the ‘who’ and the ‘what’ of housing wealth inheritance I provide a solid empirical basis from which to explore the issues of who benefits from housing inheritance, to what extent they benefit, and what impact might this have on them.

This chapter is the second major data chapter of the thesis. It is intended to complement the analysis of deceased persons’ estates presented in Chapter 4. The two chapters are similar in that they both comprise an analysis of secondary data that come from official documents whose original purpose and intent was far removed from any concern with housing wealth inheritance. There are however, two major ways in which this chapter differs markedly from Chapter

4. First, the process through which I acquired the data for these two chapters differed. The data on deceased persons' estates had already been aggregated and categorised by the time it was given to me. I had no access to the original files from which the aggregate data were produced. The data for this chapter on the other hand, I obtained directly from original records and files and it was solely up to me to collect whatever I deemed suitable for my purposes and to categorise and aggregate that information myself in ways that I thought most appropriate for my research. As a consequence, my role as researcher changed. In dealing with the data in Chapter 4, I was a manipulator. For this chapter however, I played a much more active and hands on role, that required me to make innumerable decisions regarding how best to organise and categorise the information I was collecting. Second, the nature of the data differs in the two chapters. In Chapter 4, I was dealing with aggregate data. While the data in this chapter might also be presented in aggregate form it was not in that form when I first read it. Rather the documents I read were about individual people who, as the research progressed, took on identities. They were no longer just the numbers or categories of Chapter 4 but people who had had relationships, families, jobs and houses. They became 'real'.

The chapter is organised as follows. In the following section I discuss in more detail the data sources and the methods used for data gathering. Section 5.3 describes the characteristics of the decedents in the sample and discusses the implications these characteristics have for the process of housing wealth inheritance. The particular characteristics relevant to this study include sex, age at death, marital status, location of the principal residence, occupation and ages and numbers of children. Section 5.4 shifts the focus on to the property transmitted by the decedent and will present the findings on ownership status of the property and its history subsequent to the transmission.

5.2 Methodology

As noted in Chapter 4, research into inheritance typically uses probate records as its basic data source (Wedgwood, 1929; Harbury, 1962; Rubenstein, 1981). Even the research that has examined housing wealth inheritance specifically has

obtained data from probate records or variations thereof (Munro, 1988; Hamnett *et al.*, 1991). When I began this study it was with the intention of providing a comparative dimension to the British debates on housing wealth inheritance. It seemed logical therefore, that the starting point for data gathering for my study should also be probate records.

In 1991, New Zealand's Inland Revenue Department (IRD) had the responsibility of collecting probate records for the purposes of assessing estate and gift duty.¹ The Administrator's Statement (the IR 632 form) was the document that contained this information. This document provided details on the deceased person's name, address, occupation, date of death, age at death, whether the deceased person died testate or intestate, the probate number of the will and the names and addresses of the solicitors and administrators. Additionally the form set out a number of statements as to the value of the deceased person's New Zealand property, overseas property and notional estate. From these amounts the dutiable estate was reckoned. Where applicable, debts and allowances for the matrimonial home and charitable allowances were subtracted and the final balance of the value of the estate was produced. Finally the names and relationship of the deceased person's successors were noted.

One section of the Administrators' Statement (Statement A), showed the relative value of various asset categories of the estate: cash; furniture, effects, jewellery, private motor cars etc; farm stock, blood stock, farm implements and vehicles etc; business or partnership interests; policies of assurance; loans (secured and unsecured); shares, stocks, debentures, bonds etc; real property (free or leasehold) and rents therefrom; interests in estates and trusts and other New Zealand property not included under the above headings; and gift duty paid on gifts included in the category of notional estate. Unlike the British records which have a separate category for residential buildings, in New Zealand residential buildings come under the category of real property, the legal definition for which includes residential buildings, land, farms and commercial buildings.

¹ This procedure stopped after December 17, 1992 with the abolition of estate duty.

The initial plan for the data gathering for this thesis was to take a sample of Administrators Statements for a specific year, ascertain the value of the various categories of assets, concentrating particularly on the value of real property, or for those estates in which the decedent was married at time of death, the matrimonial property allowance which gave an estimate of the value of the real property of the deceased. The probate number included in the Administrators' Statement would be used to gain access to wills, the reading of which would enable me to undertake a study of bequeathing patterns. The final part of the research was intended to comprise interviews with successors and again the Administrators' Statement would be useful here by providing the names and addresses of successors and their relationship to the deceased.

Unfortunately this plan had to be shelved as dispensation to study Administrators' Statements was refused on the grounds that the information contained in the Statements was covered by a secrecy clause in the Inland Revenue Department Act of 1974.² The detachment of the previous sentence does not quite capture the despondency I felt when I realised these records were barred to me. I was not however, satisfied with one negative response and tried a number of different avenues of gaining access to these records, but to no avail. I finally accepted that the official response to my request would remain a negative one.

This discovery forced me into looking at the problem of data collection in new ways which would continue to allow me to follow through in my analysis of housing wealth inheritance and link into the British debates. My search for ways around this edict was helped by the advice given by a number of the government department officials I met during this exploratory phase of the research. In particular, officials at the Christchurch branches of the Statistics Department (now Statistics New Zealand), the Inland Revenue Department, the Justice Department, the Land Titles Office, the High Court, and Births, Deaths

² The secrecy clause pertains to Section 13 of the Inland Revenue Department Act of 1974 which states that every officer of the Department shall maintain and act in maintaining the secrecy of all matters relating to the Inland Revenue Acts. Listed in the First Schedule of Acts to which this secrecy clause applies is the Estate and Gift Duties Act of 1968.

and Marriages suggested various alternative strategies I could pursue to gain data on housing wealth inheritance. These officials not only explained the types of data their offices recorded, which of these data would be pertinent to my purposes, and how best to gain access to these data, but they also recommended contacts in other departments. The empirical data in this and the following chapter owes much to their interest and suggestions.

As a result of the strictures of New Zealand's privacy legislation, I was forced to choose a more inventive path to obtain a data set that would allow me to contribute to the debates on housing wealth inheritance. My search for an original data set began therefore, not with probate records, but with transmission records, the records that provided information on properties passed on at death. To augment the data gained from transmission files I also searched Certificates of Title which provided not only official descriptions of housing properties, but also housing histories, in the sense of information regarding when the properties were built, purchased and sold. I also perused Transfer files which gave me the purchase and selling prices of the properties included in my case study. All these documents were housed at the Land Titles Office in Christchurch. In order to complete the data set I also searched Death Certificates and Valuation Department records. What I hoped to be able to collect from these records was a basic set of data that included as much information as possible about a group of deceased home owners, their properties and if available, their probate numbers which could be used later to identify the wills I wanted to read to flesh out the study.

5.2.1 The Land Titles Office

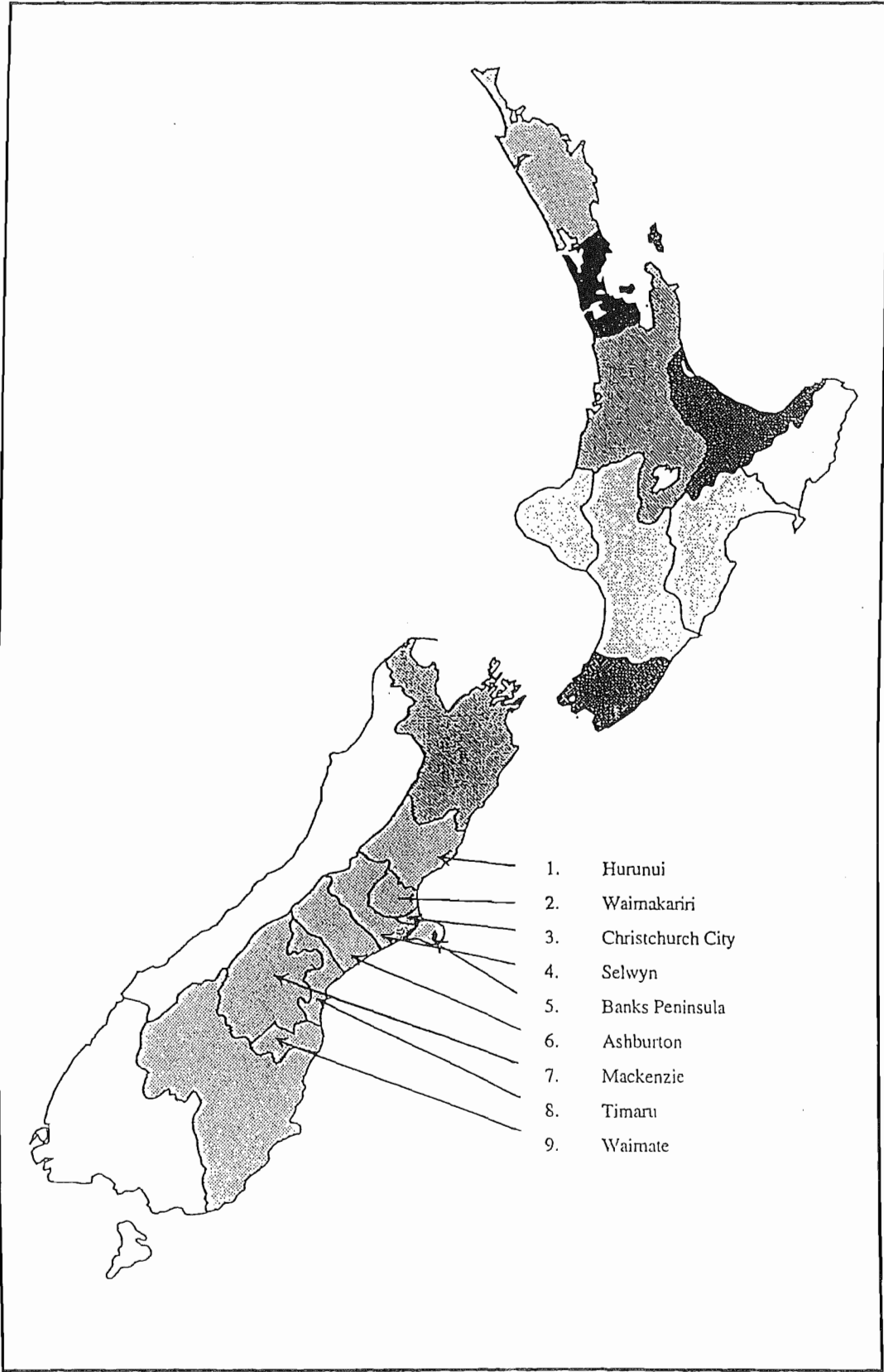
Working from a suggestion made by an Inland Revenue manager, I contacted an officer in the Land Titles Office in an attempt to discover precisely what information they held that would be useful to me and what procedures I would need to go through to gain access to the information. Negotiations with two of the managers and perusal of the types of documents held at the Office led me to decide that within the constraints I was working under, I had tapped into a very useful data source. With this realisation a formal application was made to the

Land Titles Office to gain access to their transmission files. This application was approved. For this office privacy was not an issue, given that all the records in the Land Titles Office are public documents.

The Land Titles Office is a branch of the Justice Department, set up to record the major changes or transactions that take place with respect to every piece of land or property covered under a Certificate of Title within a specified area of jurisdiction. There are 12 of these offices in New Zealand. My data gathering exercise was carried out in the Canterbury Land Titles Office, where data was held for a significant proportion of the properties in the South Island of New Zealand. The area it services was bounded by the Clarence River in the north, the Waitaki River in the south and stretched across to the Southern Alps in the west, incorporating Twizel and Mount Cook in its southwest boundary.

As the map on the next page shows, the Canterbury Region itself is divided into nine districts the smallest of which in land area is Christchurch City, although this district is by far the most populous and therefore provides the Office with the bulk of its work. The other districts are as follows: Waimakariri, which includes the towns of Rangiora, Woodend and Kaiapoi; Timaru including the smaller centres of Geraldine, Pleasant Point and Temuka as well as the city of Timaru itself; Ashburton and its environs including Rakaia and Tinwald; the Waimate district, centring on the town of Waimate; the Mackenzie District which although large in area has only a very small and scattered population with Fairlie, Tekapo and Twizel being the only towns of any size; the Selwyn District including Lincoln, Darfield and Leeston and the farming centres of Springfield and Sheffield close to the mountains; Banks Peninsula which includes Lyttelton, Akaroa and the Bays; and to the north the Hurunui District incorporating Cheviot, Hanmer Springs, Amberley and Glenmark.

Figure 5.1 Area covered by the Canterbury Land Titles Office



Although I had initially intended to focus primarily on aspects of urban housing wealth I decided not to restrict the study purely to Christchurch City or even Christchurch City and other urban areas in the Canterbury Land Titles District, but to consider small towns and rural districts too, in order to better reflect the diversity of sources of housing wealth. Making that decision does not suggest however that the study purports to have sufficient data to make a definite rural urban comparison.³

5.2.2 The Data Gathering Process

The key documents I needed to sight first in order to record basic information were transmission files, the files that deal with properties passed on at death. Once I had ascertained the content of these files and the way they were stored at the office, two immediate and practical questions needed an answer: how best to go about identifying and retrieving the individual transmission files and what number of cases to include in the study?

There were two possible ways of identifying the transmission files. The first was to go through the shelves that stored documents that covered the time period I was interested in, look at each document one by one, and take out only those marked as transmissions. This would have proved difficult as transmission files make up a very small proportion of the total number of files housed at the Land Titles Office and to search through countless shelves full of tightly packed files to retrieve every transmission file lodged over a one year period would have been an enormous task and one with the potential at least to disrupt not only the filing system, but also the easy working of the office staff. The second possibility was to identify transmissions via a search of what are called 'abstract books'. These books hold a copy of every document that passes through the office. The documents themselves are coded for easy identification. In the case of transmission documents the code was TSM. This option, which was the option I chose to follow, allowed me to identify the file numbers of all the transmissions

³ The process of the intergenerational transfer of family farms in New Zealand has been well researched in recent studies. (See for example, Keating and Little, 1991a, 1991b, 1994 and Eaton, 1993).

that occurred over the chosen time period. I then took a simple random sample of the identified transmissions and subsequently retrieved the required files from the shelves, a few at a time and recorded on specially prepared data sheets the information necessary for my purposes.

A further decision that needed careful consideration was the time period for which I would gather data. I finally settled on 1989. The choice of this year was not purely arbitrary, but taken because of considerations of interviews I planned to do with inheritors in a later part of the study. I decided 1989 was appropriate because by the time interviews would take place, 1992 or 1993, sufficient time would have elapsed since the decedent's death to allow for a reasonable period of mourning, but not so much time that the identification of inheritors would become a difficult task.

Searching the abstract books was a tedious and time consuming activity. It took approximately seven full days of work to flick through the 30 volumes of abstracts, to identify those coded TSM for transmission, and to record the file and Certificate of Title number for each case. Eventually some 2,405 cases were identified, which was approximately the number expected, given that the total number of deaths in New Zealand in 1989 was approximately 27,042, the proportion of population in the Canterbury Region as a proportion of the total New Zealand population and the expected proportion of home owners in the total population.

Once I had gathered the sampling frame (the 2,405 transmission files for the year 1989) the next consideration was sample size. Before I could make that decision I felt I needed to have some prior knowledge about the time it would take to complete the data gathering exercise for each individual file. I therefore, spent one day doing a trial run. To gather data for each case required me to note the details from the transmission record itself and follow that up by examining the Certificate of Title for the property. If the Certificate of Title indicated that a later transfer (sale) or transmission of the property had occurred then I would search these documents too for further details. The trial

run suggested that with practice and greater familiarity with the filing system, I would probably complete between 20-25 transmissions a day. Given that I had scheduled approximately two months for this exercise, I decided to select a simple random sample of 600 transmissions as the basis for my case study. This was approximately one quarter of all the transmissions that had occurred in 1989. The choice of which transmissions to select was a relatively trivial exercise when aided by a computer's random number generator programme.

Apart from demonstrating to me the number of cases I could complete in a day, the test run resulted in a number of other spin offs. Firstly it gave me a chance to learn my way around the office and the filing system. While the filing system itself was not particularly complicated in that files were ordered according to file number not according to type of transaction, initially at least I found the language on the files somewhat perplexing and had to check on numerous legal and official terms before the documents themselves made much sense. Secondly, I became conversant with the office tempo, the times when it was busy and the times when it was quiet and when it was and was not appropriate for me to work in certain spaces in the office. Thirdly, I became conversant with transmission records themselves and more aware of possible ways of using the data. I also found that to gather a complete data set it was not sufficient to study only the transmission file. I would also need to study a number of other documents for each individual case, only some of which were held at the Land Titles Office.

As noted above, apart from the transmission file the other key document I needed to peruse at the Land Titles Office was the Certificate of Title. Each Certificate of Title is numbered and it is these numbers that are the key identifying features for each property (whether a house or a piece of land). Certificates of Title contain detailed information on a property including its location as given by the lot and DP number and often an indication of the street on which the property is located. Certificates of Title also give a full history covering all the transfers or transmissions for every property. This included the dates and file numbers for when the decedent purchased the property and for

any subsequent transfers or transmissions. This was very important information as it allowed me to gather details on the price the decedent paid originally for the property and, where applicable, its subsequent selling price. The final aspect to the search at the Land Registry Office was a simple check of Valuation Department files to find the exact address of the property transmitted and its government valuation. These files were organised into books for each district and arranged according to either street name or family name of the property owner and stored in an adjoining section of the Land Titles Office.

The preliminary search of the Certificates of Title showed there was considerable variation in terms of what happened to properties after transmission. Consequently the number of documents and files that needed to be searched in order to build up a completed file and the time taken to effect each search also varied. Typically, the cases that required the least effort to search were those in which the deceased person's share of a jointly owned property was transmitted to a spouse through survivorship. In these cases the spouse became the sole property owner and once the details of transmission were noted, there were no further transactions recorded on the Certificate of Title. In these cases only the transmission file, the Certificate of Title and the appropriate Valuation Department book needed to be searched. However, all cases were not this simple. The most time consuming case was one in which the deceased person was a relatively young farmer, whose properties involved both separate ownership and joint ownership with other family members of properties on eight separate Certificates of Title. To gain all the data necessary for this case some 25 separate files or documents had to be located, read and the appropriate data recorded. Typically though only four or five documents and files had to be studied for each case. For those properties that had been owned by the same person for a number of decades, or had been subdivided for sale or redevelopment, it was necessary to search more than one Certificate of Title. When this did occur it was a relatively simple procedure to follow through the changes by searching previous or new Certificates of Title.

The files at the Land Titles Office indicated that there are two categories of transmission. The first, transmission by survivorship covers the situations in which the property had been owned jointly by the deceased and another person and on the deceased person's death ownership of the entire property becomes the right of the previous joint owner. The second form of transmission operates when the deceased is the sole owner of a property, or owns it with another, or others, as tenants in common. In these situations the property is transmitted to the executor who will carry out the instructions in the will regarding the property. If the decedent died intestate, an administrator would follow the same procedure. According to the type of transmission, the transmission file at the Land Titles Office contained different information. For those transmissions that were effected by survivorship the file included a copy of the deceased person's Death Certificate. Death Certificates provided much extra information that could be used to supplement decedent profiles. This information included birthplace which could possibly be useful in another small piece of work on geographical mobility, age at marriage which might, in turn, have implications for the ages of children as likely beneficiaries, numbers and sex of surviving children and father's occupation as an indication of social mobility.⁴ I chose to note cause of death only in the instances that indicated such difficulties as suicide or alcoholism, as I thought this information might be helpful if I were later intending to interview the beneficiaries.

Once the initial data were gathered from the Land Titles Office there were still many instances of missing data. For example Death Certificates were included for those decedents whose properties were transmitted through survivorship, but not for those whose properties were probated. To complete the information gathering exercise therefore required gaining access to and collecting the missing information from Death Certificates at Births, Deaths and Marriages. In addition, valuation data had been recorded for Christchurch properties only. To obtain the outstanding Births, Deaths and Marriages and Valuation New Zealand data, I had to search records lodged in the Christchurch offices of these departments and travel to offices in Ashburton, Timaru, Rangiora and Lyttelton.

⁴ Mother's occupation is not noted on death certificates.

5.3 The Decedents: A Profile

The purpose of this section is to develop a profile of the decedents who had owned housing property. Of relevance here is location of residence, sex, age at death, marital status, number of children and occupation. Ethnicity is not mentioned as it was not recorded on any of the official documents studied.

5.3.1 Decedents by Valuation Area

Table 5.1 shows the number and sex of decedents by valuation area. In the few cases where decedents had transmitted more than one property contextual clues were used to gauge which property had been their primary residence and decedents were categorised as belonging to the valuation area in which the primary residence was located.

Table 5.1: Decedents by Valuation Area

Valuation Area	Female	Male	Total	%
Christchurch	174	222	396	68.4
Timaru	24	35	59	10.2
Waimakariri	19	28	47	8.1
Ashburton	9	19	28	4.8
Selwyn	7	17	24	4.1
Waimate	7	3	10	1.7
Banks Peninsula	2	4	6	1.0
Hurunui	2	3	5	0.9
Mackenzie	1	3	4	0.7
Total	245	334	579	100

As Table 5.1 indicates over 68% of the 579 decedents in the sample had owned properties in Christchurch City. A further 18.3% had owned properties in the districts of Timaru (which includes the city of Timaru), and Waimakariri which is centred around the growing town of Rangiora. Taken together the number of decedents whose properties were located in these three districts made up nearly 87% of the sample. Although Christchurch City is the only valuation area which can be classified unequivocally as urban, it is the case almost all decedents in the three valuation areas of Christchurch, Timaru and Waimakariri had owned

properties located in 'urban' areas. A slightly lower proportion of women than men in the sample owned properties outside of Christchurch at time of death: nearly 29% of women compared with approximately one third of the men in the sample.

5.3.2 Sex of Decedents

Table 5.1 shows that of the 579 decedents included in the sample 245, or 42.3% were female and 334, or 57.7% were male. The gender imbalance might appear odd at first, given the obvious fact that both women and men die and given that there are roughly equal numbers of adult women and men in the New Zealand population. Had the sample been restricted to specific age ranges, then age at death might have been a plausible explanation for this discrepancy. As this was not the case and all ages at death were included, the most likely explanation for the gender imbalance of the sample appeared to be that property ownership is a gendered phenomenon. A check on the ownership data taken from the Certificates of Title supported this view. These data showed that of the 118 male property owners recorded as sole property owners (i.e. the property was in their name only and not owned as a joint family home or as tenants in common) 50 were married at time of death. By contrast, of the 158 females who were sole property owners, only 7 were married at the time of their death. This brings to light a somewhat startling gender comparison. While approximately 42.4% of male decedents who were married at time of death were the sole owners of their properties, only 4.4% of female decedents married at time of death were sole property owners. My sample therefore showed that proportionately, something like 10 times as many married men as married women were sole property owners. It is then plausible to suggest that the gender imbalance of the sample reflects the higher property ownership rates of men.

A word of caution is necessary however, before extrapolating from these figures to the wider population. It is possible that older women and men (which would describe the great majority of people in my sample) would be more likely to accept the practice of having their homes registered solely in the male partner's name, than would younger couples. Thus the ownership rates of my sample are

very unlikely to be representative across all age groups. On the other hand, with the increasing complexity brought to relationships by rising rates of divorce and with the increase of second or subsequent marriages or partnerships, it might mean that in the future, both women and men will be more likely to be sole property owners.

5.3.3 Age at Death

The decedent's age at death is closely associated with the age at which beneficiaries inherit and is therefore an important consideration in the study of housing wealth inheritance. Implications of the decedent's age at death are discussed later in this section. Data on age at death for deceased property owners of estates transmitted to a surviving spouse as well as finally passing estates (i.e. the estates of widowed, divorced or single people rather than married or partnered people) are shown in Table 5.2. The mean ages at death were 73 for women and 70 for men. Mean age at death was also calculated for the districts of Christchurch, Timaru, Waimakariri and Ashburton and for all areas excluding Christchurch. The mean ages at death for males and females in each district varied slightly from the mean ages for the sample as a whole, but generally the pattern was similar with average ages at death for females ranging from 70 to 73 and for men from 69 to 74. Mean ages at death were not calculated for the valuation areas of Ashburton, Selwyn, Waimate, Banks Peninsula, Hurunui and Mackenzie because the small size of these subsamples would likely lead to unreliable results being produced.⁵

As might be expected, the data on age at death showed that the vast majority of decedents were aged between 60 and 89 at time of death, although at 83% for males and 78% for females, a slightly higher proportion of men than women died within these ranges. For both sexes, almost one third of the sample died

⁵ For example, the mean age at death for females in Ashburton was 58, a figure reflecting nothing more significant than the small number of cases. Only 4 of the 9 Ashburton females in the sample had their age at death recorded and two of these four females died at ages, 24 and 28. In the entire sample these were the only two recorded deaths of people in the 20-29 age range.

Table 5.2: Age at Death

Age at Death	Females			Males		
	number	as % of deaths	cum %	number	as % of deaths	cum %
Under 30	2	0.9	0.9	0	0.0	0.0
30-39	9	3.9	4.8	9	2.8	2.8
40-49	8	3.5	8.3	8	2.5	5.3
50-59	13	5.7	14.0	31	9.6	14.9
60-69	43	18.7	32.7	98	30.4	45.3
70-79	71	30.9	63.6	105	32.6	77.9
80-89	66	28.7	92.3	64	19.9	97.8
90 and over	18	7.8	100.1	7	2.2	100.0
Total no. with age recorded	230			322		
Age not recorded	15			12		
Totals	245			334		

between the ages 70 and 79, i.e. 31% of all women and almost 33% of all men. What is interesting however, is the difference between the percentages of females and males who died in the two decades on either side of the 70s. As Table 5.2 indicates, there was almost a reversal in percentages of deaths between women and men in these two age ranges. Nearly 19% of the women decedents in the sample died in their 60s, while nearly 29% died in their 80s, whereas just over 30% of the men in the sample died in their 60s and just under 20% died in their 80s. The data on the cumulative percentages of age at death by sex also demonstrates the generally later age at death for women. For example, by age 69 nearly one third of the women in the sample and just over 45% of men had died and by age 79, approximately 78% of men, but less than 64% of women had died. Put another way, when comparing the ages at death between women and men in the sample we can say that by age 69, 12.6% more men than women in the sample had died. By age 79, the percentage difference had risen to 14.3%.

The mean age at death for women who had never married (those described in the official statistics as spinsters, or on occasion as femmes sole) at 81.7 years

was considerably higher than the mean age at death for all women in the sample which was 73 years. For men who had never married however, the mean age at death was 67, three years lower than the mean for all men in the sample.

One important implication of age at death is that the age of the decedent in finally dissolving estates is likely to be closely associated with the age at which possible beneficiaries of the next generation receive an inheritance. In simple terms the older the deceased the older their beneficiaries are likely to be. In turn, the impact of inheritance and the possible uses to which it is put are likely to differ according to the age of the inheritors. Older inheritors are more likely to be financially established than their younger counterparts. In a country like New Zealand where home ownership is the norm, older beneficiaries are more likely to own their homes freehold, or at least have a considerable proportion of their mortgages paid off. Consequently they are less likely to use their inheritances for housing related purposes than for either general consumption or investment. Older beneficiaries are also more likely to have children who are independent and no longer in education. On the other hand, inheritance might now be used to enable adult children to pay off student loans contracted to pay for their tertiary education.

Although no systematic study of these issues relating to inheritance has yet been undertaken in New Zealand, it is useful to consider here the findings of Hamnett *et al.* (1991) on this topic. In the national survey of households which had inherited at least one dwelling, Hamnett and his team found that approximately two thirds of recipients sold the property more or less immediately. Of these, almost half put the bulk of the funds obtained from the sale into some form of financial institution like a bank or building society. A further 21% of those surveyed put most of their money into property purchase, while 6% spent most of it on home renovation. Just over one quarter of those surveyed, used their inheritance for general consumption purposes. The interviews I carried out as part of this research project provide anecdotal evidence on the subject and support the findings in the British study (although none of the people I

interviewed invested their inheritance in building societies, which reflects the much less important role held by building societies in New Zealand).⁶

The general point being made here however, is that given that most beneficiaries will inherit when they are middle aged, it is likely that the bulk of any inheritance received will be invested. In New Zealand's current economic climate in which the future prospect of declining income support for New Zealand's elderly is a feature, it may be that receiving an inheritance in early or later middle age takes on new importance. In addition, generational age structures and increasing longevity are such that the inheriting generation are likely to benefit at a time when they could possibly be not only supporting their children in tertiary education, but also looking more closely at financial planning for their own retirement. In these circumstances it is probable that most of the financial benefits from inheritance will be invested.

A further implication worth noting that arises from the age at death data, is women's greater longevity. On average, women in the sample had lived longer than men and the married or partnered women had outlived their spouses. Furthermore, women tended to be younger than their spouses. As a consequence it is women who tend to have the responsibility for decision making regarding the final divisions of marital property. This notion will be explored further in Section 5.3.4 below.

5.3.4 Marital Status of Decedent

Marital status at time of death is crucial in terms of the direction of the transmission of property, with decedents who were married at time of death generally transmitting property to their spouse and decedents who were widowed, divorced or single, largely transmitting property intergenerationally.⁷

⁶ A selection of the interviews carried out for this research are included in Appendix A.

⁷ While it is common now for younger New Zealand couples to live in de facto relationships, this form of relationship was a relatively rare phenomenon for the people in my sample. As Table 5.3 indicates only 3 females and 1 male were living in a de facto relationship at the time of their deaths. It could possibly have been the case that any of the 8 people whose marital status was unknown were also living in de facto relationships. This however, is merely conjecture.

Table 5.3 shows the marital status of decedents in this sample at time of death. These figures show the significant difference in the proportion of women who were married at time of death (34.3%) to men in this category (78.1%). The corollary of this feature was that just under 14% of the men in the sample were widowers at time of death, while nearly 53% of women were widows. Although nearly twice as many women as men in my sample came into the category of single, at 8.6% and 4.8% respectively, the category was not large for either women or men. With only 4.4% of women and 3.3% of men, the percentage of decedents who fitted the categories of divorced, de facto and marital status unknown was small.

Table 5.3: Marital Status at Death

Marital Status	Females		Males	
	Number	%	Number	%
Married	84	34.3	261	78.1
Widow/er	129	52.7	46	13.8
Single	21	8.6	16	4.8
Divorced	4	1.6	6	1.8
De Facto	3	1.2	1	0.3
Unknown	4	1.6	4	1.2
Total	245	100.0	334	100.0

Multiple marriage can be a factor which complicates the process of inheritance, especially when the question of the rights of children to inherit is considered. In this sample the proportion of women who had been married more than once was higher than the proportion of men. Of the 84 female decedents who were married at time of death over 83% had been married only once, 14% had been married twice and 2.4% had been married three times. Of the 262 male decedents married at time of death 91.2% had been married only once, 7.3% had been married twice, 1.1% married three times and 0.4% married four times.

As alluded to in Section 5.3.3 above, there are some interesting implications when considering together age and marital status. On average, women live longer than men and also marry men older than themselves. Together these are the primary causes for the differential marital status at death between women and men. One can speculate for example, that this might lead to a greater degree of power for women in terms of testamentary freedom, given that it is mainly women who bequeath finally dissolving estates. Such speculation must be tempered however, by the fact that a significant number of men do not bequeath their entire estates to their wives, but write their wills in such a way that their wives have a life interest, but not absolute control of the estate. In such cases, on the wife's death or remarriage, the estate is then realised and is divided according to the wishes in the husband's will.

The connection between power and property division is complex and has been explored from a number of different positions. Some writers like Sussman, Cates and Smith (1970) examined the issue in terms of the concept of testamentary freedom. Others like Clignet (1992) saw it in terms of the tension between liberty and equality, the right or liberty of individuals to transfer whatever they want to whomsoever they want, or the obligation to transfer property equally among their heirs. Not surprisingly such ideas come through most strongly in the American literature on inheritance where individual rights become the issue. The concept of moral identity or moral demeanour provides a further position through which the issues of power and property division could be analysed (Finch and Mason, 1993). I believe that casting the issue in terms of gender power provides an interesting new possibility. It is an issue that will be brought up again in Chapters 6 and 7 which deal with bequeathing patterns and the special gifts bequeathed in wills.

5.3.5 *Children of Decedents*

An examination of the numbers and ages of the children of decedents is a crucial dimension to understanding the complicated workings of intergenerational wealth transfers. It should be noted however, that transfers from parents to children are only one form of this type of transfer. Transfers to nieces,

nephews, grandchildren, godchildren and even younger friends are also forms of intergenerational transfers.

Table 5.4: Children as Beneficiaries

Marital status of decedents with children	Number of decedents	Average age of children	Average number of children per decedent
Females			
- widowed	94	48.3	3.0
- divorced	4	34.1	2.5
- de facto	3	21.0	3.3
- unknown	4	34.1	3.8
Total females	105	46	3.0
Males			
- widowed	36	47.1	2.6
- divorced	4	28.7	2.3
- de facto	0	n/a	n/a
- unknown	3	41.3	3.3
Total males	43	45	2.7
	148		

A search of Death Certificates and newspaper death notices provided information on the numbers, ages and sexes of the decedent’s live children. Despite using two sources the data set for ages of children who could be potential beneficiaries was incomplete. The ages of children of 7 of the male decedents were not recorded. Table 5.4 shows the average age of children and ratio of beneficiaries to decedents, for those 105 female decedents and 43 male decedents who came into the categories of widow, or widower, living alone, or marital status unknown and who had children to whom they could pass on their property. The average number of children of female decedents with finally passing estates was 3.4 and the average age of children at the time of their mother’s death was 46. The average number of children of males in this category was 3.7 and the average age of children at the time of their father’s

death was 45. These figures support the British findings which showed that beneficiaries are likely to inherit when already in middle age and that estates are most likely to be shared among three children.

5.3.6 Occupations and 'Gendered Occupations'

The decedent's occupation was mentioned in three possible places, the transmission file, the Death Certificate and the Certificate of Title. In most instances the occupation given in each place was the same. However, when there was a discrepancy in the occupations recorded I made the decision to record the decedent's occupation as the one entered onto the Death Certificate, on the basis that it would most likely be the deceased person's most recent occupation. Exceptions to this procedure were made when the occupation entered was either retired or pensioner. In these cases the occupation on the other files was also recorded so the occupation would read for example retired cabinetmaker or retired school teacher.

The manner in which occupations of deceased women were recorded brought to the fore the issue of sexism in official data. In the vast majority of the transmission files and Death Certificates sighted, women's occupations were recorded as wife or widow. Commonly the purchase of a property by a married couple would be recorded as a transfer to say Bill Smith, builder of Christchurch and Mary Smith his wife. Not once however, was there a case in which a male's occupation was recorded as husband or widower. It was also common for single women's occupations to be recorded as spinster, yet the Certificates of Title brought to light a number of cases in which these women had been in the paid work force. The most common occupations recorded for women on Certificates of Title were clerk and school teacher. The point here is that the official records show men in relation to the world of work, but show women primarily in terms of their relation to men and sexual relations at that. They are wives, widows or spinsters, not occupations at all, but rather comments on women's living arrangements in the private domain of the household.

Two further points should be made in relation to sexism in the wording of official records. The first is that there is a definite trend for change. Evidence of this was seen when following through subsequent transfers of deceased persons' properties. It was much more common to find occupations not statuses given for women involved in transfers which had recently occurred. In studying these transfers it was obvious that this change reflected the ages of the purchasers. The obvious clues in this regard were women's first names. Subsequent transfers to women named Kim, Karen, Cheryl or Debbie are likely to be transfers to people far younger than the mean age of women in my sample.

The second point is that the invisibility of women's occupations makes any comments about the connections between socioeconomic status and home ownership problematic. Although I recognise the problems of using occupation, particularly the male occupation as the indicator of socio-economic status for the entire family, there is still some value in using a scale like the Elley/Irving scale as an indicator of socioeconomic status and to have available the occupations (or previous occupations) of both partners in a marriage as indicators of a family's SES. For a significant number of the deceased females in my sample however, there is no acknowledgement of either their previous occupation or in the case of widows, the occupation of their already deceased husbands. This information is simply lost as a result of the methods used in the recording of official statistics. If, as is common, a woman buys a smaller house or ownership flat after the death of her husband, no information about her husband would be mentioned on the new Certificate of Title. The only possible indications of her socioeconomic status would be her father's occupation on the Death Certificate, or the value of her property and in both cases these data would be only suggestive of SES. It might be argued that almost all of the deceased women in the sample worked only in the home and not in paid employment. This however, is unlikely. A significant proportion of women would have worked in paid employment, whether in a part time or full time capacity, for at least some time of their lives, a factor ignored in official statistics.

5.4 Property Details

Property data from the Land Titles Office adds to the overview presented in this chapter on the economic dimension of inheritance. The details on sales prices of transmitted property can be set alongside the deceased persons' estate data in Chapter 4. Even more importantly, the property details presented here help demonstrate that housing wealth inheritance is a more complicated phenomenon than might be inferred from an examination of deceased persons' estates alone.

5.4.1 Ownership Status

Significant gender differences were shown in the ownership status of principal residences of decedents in the sample. At 64.5%, almost two thirds of the 245 females in the sample were sole owners at the time of their death. A further 31.4% owned their properties in some form of joint ownership and just over 4% had been tenants in common at the time of their death. The ownership status of males in the sample was markedly different. At death, 35.3%, owned their properties solely in their own name, whereas over 62% had properties that were in joint ownership and only 2.4% owned properties as tenants in common (see Table 5.5).

The data on the ownership status of transmitted properties should be viewed in relation to the data on age at death and marital status at death. The greater proportion of women as sole property owners and men as joint property owners at time of death largely reflects the differential age at death of women and men. On average, men die earlier than women which, when coupled with the tendency for male spouses to be older than their partners, means that a significant proportion of the women in the sample were sole owners having had a joint family home or a property in their husband's name transmitted to them on their husband's death.

Table 5.5: Ownership Status by Gender

Ownership Status	Female		Male	
	Frequency	%	Frequency	%
joint ownership	77	31.4	208	62.3
sole ownership	158	64.5	118	35.3
tenants in common	10	4.1	8	2.4
Total	245	100.0	334	100.0

5.4.2 Length of Period of Ownership Before Death

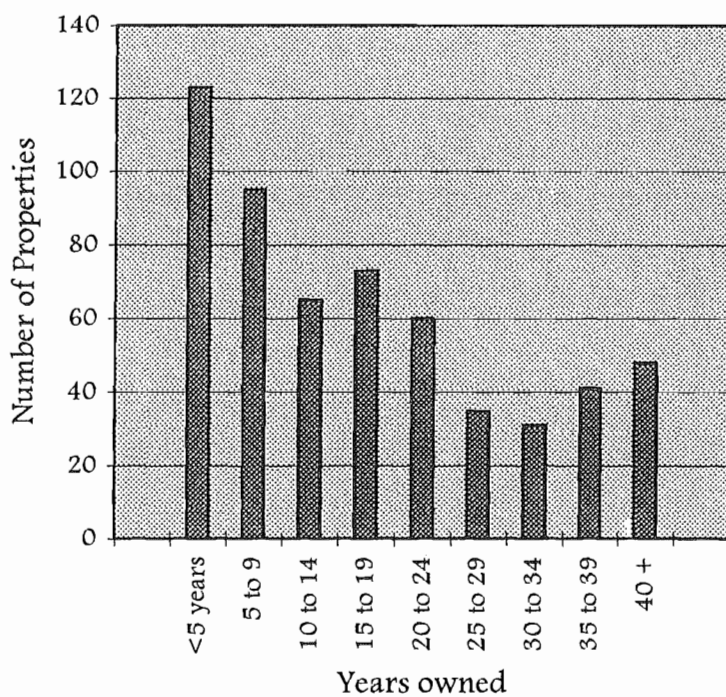
Table 5.6 shows the length of time in years decedents in the sample had owned their properties at time of death. A plurality of decedents (21.5%) had owned their properties for less than five years. At the other end of the scale nearly 38% of properties had been owned by the decedent for 20 or more years and 8.4% of properties had been owned for 40 or more years. Figure 5.2 shows length of ownership in graphic form.

Table 5.6: Length of Ownership

Years Owned	Properties Number*	Properties %
<5 years	123	21.5
5 to 9	95	16.6
10 to 14	65	11.4
15 to 19	73	12.8
20 to 24	60	10.5
25 to 29	35	6.1
30 to 34	31	5.4
35 to 39	41	7.2
40 +	48	8.4
Total	571	99.9

* missing data on year of purchase for 8 properties

Figure 5.2: Years of Ownership Before Transmission



The extreme range in the length of time between the purchase of a property and the death of the property holder is illustrated in the following examples. Alex Bryant, a 69 year old company director from Christchurch, had been in possession of his property for exactly two weeks when he died. Alex's wife, who had owned the house jointly with her husband, remained living in the house after his death. The records tell the story of another married couple Bessie and Herbert McDonald who bought their house in early March 1989. Less than one month after taking possession of the house Herbert died. His share of the house was transmitted to his widow in mid 1989, and by December 1989 Bessie had sold the property. The entire sequence of events occurred in less than 10 months.

At the other extreme, the records show that some people remain living in the same house for almost all their adult lives. Of the decedents in my sample, Jean Barber had lived in the same house for the longest period of time, 62 years. An 83 year old widow Jean had lived in a house that had been bought and registered in her husband's name in 1927, about one year after they were married. After 60 years of marriage Jean became widowed at the age of 80. After her husband's death she continued to live in the house for a further three years until her own death. Edith Roberts too had lived in her house for all her married life. Bill, her husband had bought the house in 1935, four years before they were married and retained sole ownership until he died 54 years later in 1989. In his will Bill left his entire estate to his wife Edith. The records show that Edith remained living in the house.

5.4.3 Property Transmission by Survivorship

Of the 579 properties in the sample 282 were transmitted via survivorship to another party, indicating that the property had been jointly owned. Of these, 97% of cases were transmitted to the surviving spouse, 72% to a wife and 25% to a husband. Only 9 properties were transmitted to a person other than a spouse, of which 5 were transmitted to a daughter and 3 to siblings. I was not able to identify the relationship between the decedent and the survivor in one instance.

5.4.4 *Mortgage at Time of Death*

The presence of a mortgage on a property at time of death reduces the possible size of the inheritance. In developing an understanding of the process of housing wealth inheritance, it is therefore important to explore the extent of this phenomenon. In this study however, I was only able to do this in a limited way as the mortgage documents lodged at the Land Titles Office indicated only the incidence of a mortgage, not its size. It appears that mortgage size is a banking concern.

Only a small proportion of my sample (16.4%) were still paying a mortgage at the time of their death. Broken down by gender, the proportion of the sample of female decedents who were mortgagees was 6.2% and the proportion of males was 10.2%. Looked at differently however, it can be shown that gender was not an important variable in this situation and the apparent lower incidence of female mortgagees reflects merely their lower numbers in the sample as a whole. As a proportion of all women in the sample 16.1% held a mortgage at time of death, whereas 17.6% of all men in the sample were mortgage holders.

The variable most closely linked to the presence of a mortgage was age at death. For all women in the sample the mean age at death was 73, whereas the mean age at death for women mortgage holders was 57. Similarly the mean age at death for male mortgage holders at 58, much lower than 70, the mean age at death for all men in the sample. Age too was connected to marital status. Of the female decedents who were mortgage holders at time of death 63.8% were married, 30.5% widowed, 2.8% lived in a de facto relationship and 2.8% were divorced. No single woman had a mortgage on her property at time of death. The pattern of marital status differs substantially for male decedents who were mortgage holders at time of death. Of these men, 83% were married, 8.5% widowers, 3.4% divorced, 1.7% single and the marital status of 1.7% of this group was unknown.

The figures from my sample suggest that most properties which were owned with a mortgage were not passed down intergenerationally. Only 12% of male

mortgaged property owners in this category and 30.5% of their female counterparts left their properties to the next generation. These percentages (i.e. mortgaged properties that were passed on intergenerationally) represent only 3.5% of the entire sample of 579 estates. As I was unable to gather information on the size of the mortgages held I cannot comment definitively on the impact of mortgage holding on the size of the final inheritance. It is plausible however, that in light of the age of decedents at time of death and the high incidence of outright home ownership for elderly owners, mortgage holding will not have much impact in terms of reducing the size of housing wealth inheritance passed on from finally dissolving estates.

5.4.5 Subsequent Sales History

The sales histories of the properties in the sample were varied. Approximately 53.4%, or 309 of all the properties transmitted were sold between the date of transmission in 1989 and the time I searched the records in early 1992. Some 56.6%, or 175 of these were properties that had been transmitted intergenerationally. A further one third of the properties sold were those that had been transmitted by survivorship to a spouse. The remaining 10% were properties which had been left to siblings, other relatives, friends, or charity.

In most instances the sale took place within a year of the property being transmitted. In the sample there were a further 12 properties where a portion of the land had been sold. I was able to follow up the Certificates of Title for these sales and found that in almost all such cases some land had been sold in order that infill housing could be erected. The search through the Certificates of Title also revealed another 20 properties which had undergone a second transmission between 1989 and the time I collected my data. These 20 cases were categorised according to the first transmission that occurred in 1989.

I was able to ascertain the sale prices for 302 of the 309 properties sold. Table 5.7 and Figure 5.3 show the distribution of house price sales. These are in dollar values at time of sale, so include sales in 1989, 1990 and 1991. Included in the table are 107 properties sold by a spouse, therefore the funds realised from all these sale have not flowed on to the next generation. Of these 107

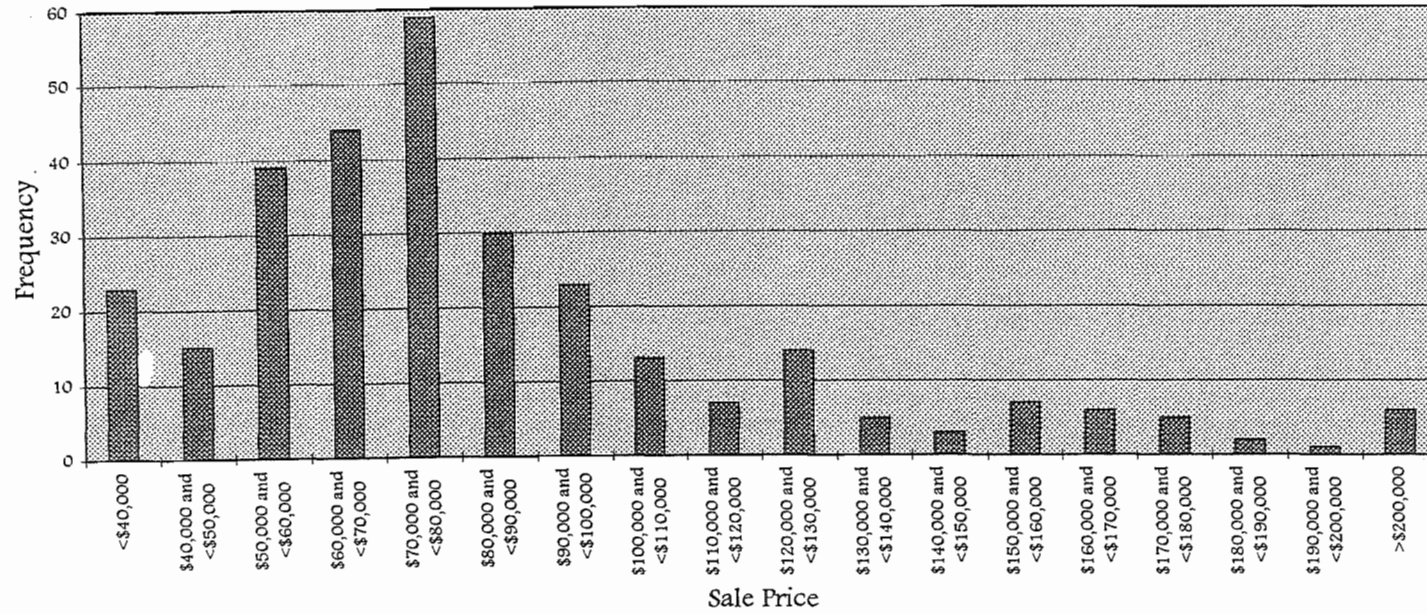
properties, 79 were transmitted from husband to wife and 28 were transmitted from wife to husband and subsequently sold by the husband.

Table 5.7: Distribution of Sale Prices After Transmission

Value Groups	Frequency	Relative Frequency %	Cumulative Relative Frequency %
<\$40,000	23	7.6	7.6
\$40,000 and <\$50,000	15	5.0	12.6
\$50,000 and <\$60,000	39	12.9	25.5
\$60,000 and <\$70,000	44	14.6	40.1
\$70,000 and <\$80,000	59	19.5	59.6
\$80,000 and <\$90,000	30	9.9	69.5
\$90,000 and <\$100,000	23	7.6	77.2
\$100,000 and <\$110,000	13	4.3	81.5
\$110,000 and <\$120,000	7	2.3	83.8
\$120,000 and <\$130,000	14	4.6	88.4
\$130,000 and <\$140,000	5	1.7	90.1
\$140,000 and <\$150,000	3	1.0	91.1
\$150,000 and <\$160,000	7	2.3	93.4
\$160,000 and <\$170,000	6	2.0	95.4
\$170,000 and <\$180,000	5	1.7	97.0
\$180,000 and <\$190,000	2	0.7	97.7
\$190,000 and <\$200,000	1	0.3	98.0
>\$200,000	6	2.0	100.0
Selling price not recorded	7		
Total no. of houses sold	309		

Figure 5.3 shows more than three quarters of all properties sold fetched a price of less than \$100,000. It also shows a distribution skewed to the right which indicates, in this instance, that of the transmitted properties sold, only a small proportion were of relatively high value. For example only 11.7% of the properties sold reached a sales price of \$130,000 or more. It also shows that the modal house price was between \$70,000 and \$80,000. Assuming that the funds from the property sale were distributed intergenerationally, and that the house provided the bulk of any estate inheritance, then it is safe to suggest that most beneficiaries of housing wealth are not going to inherit large sums of money.

Figure 5.3: Distribution of House Sales Prices After Transmission



5.5 Summary

This chapter presented case study data taken from a range of official documents, but primarily from transmission documents of property passed on at death, to address two broad areas of concern to the study of housing wealth inheritance. The first involved who leaves housing wealth and focused on the demographic characteristics of the property owners themselves. The second, concerned the characteristics of the property that is passed on.

Most of the decedents in the sample came from urban areas in the South Island of New Zealand. More than two thirds came from Christchurch, the principal city in the South Island. Fewer than 10% came from rural areas or small towns. Of the 579 decedents who made up the sample, 245 or 42% were women and 334, or 58% men. The gender imbalance is likely to reflect that among the elderly, it is males who have higher rates of property ownership.

Mean age at death for those in the sample was 73 for women and 70 for men. Age at death has important implications for the age and life cycle stage of possible inheritors. Marital status too affects the timing of intergenerational transmissions. By and large married people pass on their properties to their spouses, whereas single, widowed and divorced people tend to pass down their property intergenerationally. The data showed that on average, children would receive an inheritance from their parents in the mid 40s. For this sample, assuming that the inheritance would be shared equally among surviving children, it would be divided among 3.4 children if the decedent was female and 3.7 children if the decedent was male.

The data on property ownership showed that on death almost twice as many males as females owned their houses jointly. On the other hand, a much higher percentage of women than men owned their properties outright. These differential rates of ownership reflect, in part, the greater longevity of women.

Just over one fifth of the decedents in the sample had owned their property for less than 5 years. At the other extreme, over 37% of the decedents had owned

their properties for 20 or more years. The figures on length of ownership reflect a significant degree of stability in the population of elderly.

Only a small percentage of the sample (16.4%), were paying a mortgage at the time of their death. Those paying mortgages tended to be younger at death than the sample as a whole. The average age at death for those paying mortgages was 57 for women and 58 for men.

Tracing through the subsequent sales history of the property showed that within a period of slightly less than three years after the original transmission, 56.6% of the properties had been sold. Sales price data show that more than three quarters of all properties sold fetched a price of less than \$100,000 (in 1989, 1990 and 1991 dollars), with the modal price being between \$70,000 and \$80,000. When sales prices are examined together with other data presented in this chapter, especially figures on average number of children, it can be concluded that most beneficiaries of housing wealth would inherit relatively modest sums. This is not to say that the sum of \$20,000 or \$30,000 in 1990 or thereabouts was insignificant. It is difficult however, to suggest that sums such as these would be a sufficient basis for the establishment of a new social divide between inheritors and non-inheritors.

WILLS (1): AN EXAMINATION OF BEQUEATHING PATTERNS IN NEW ZEALAND WILLS

6.1 Introduction

My intention in this thesis is to examine two major themes of inheritance. The first is the way inheritance impacts on the distribution of wealth and in turn on the nature of economic inequalities. The second, involves an examination of the process of inheritance and what this process can reveal about the nature of social relationships, particularly family and other intimate relationships. Wills play an important role in these tasks as they provide one mechanism through which both wealth distribution and intimate relationships can be explored. In this chapter I focus on the theme of property distribution by examining in some detail the bequeathing patterns observed in the 293 wills read as part of this study. The following chapter takes up the second theme and explores the way wills can shed light on the way people 'do family' and other intimate relationships, through the expression of such notions as reciprocity, affection, equity, equality and deservingness. The focus here will be on the way material goods and intimate relationships are inextricably interwoven through the process of inheritance and in particular, how this is manifested in the passing on of 'symbolic goods'.

Bequeathing patterns can expose much about the practical workings of inheritance. The clearest general pattern this study showed was that the passing on of wealth involves a two stage process. The first stage comprises the passing

on of material goods to a spouse or partner, and the second, the passing on of finally dissolving estates, which in most instances involves intergenerational transfers. Approximately 90% of the cases in this study would have broadly fallen into this pattern. As might be expected, this study also revealed that bequests favoured close family members - spouses and children. Even people who had neither spouse nor children generally chose their closest living relatives as their major beneficiaries. Within these general bequeathing patterns however, there was still some degree of variability and the following analysis highlights the way that such factors as gender, marital status, and family size influence the manner in which estates are divided.

6.2 Wills: The Personal and the Social

In Chapter 1 of this thesis I addressed the issue of the problems associated with dichotomous thinking and referred to Bourdieu's call to transcend the false antinomies of social science (Bourdieu, 1988). One such antinomy is that of the personal and the social. An enduring debate within sociology has been how best to overcome this dichotomy and draw the connections between these so-called 'oppositions'. In this chapter and the next, I examine the idea that the analysis of wills can be one vehicle through which the interweaving of the personal and the social can be made obvious. Wills are written documents that ostensibly express the wishes of will makers concerning the way their material goods and property are handled and distributed after their deaths. It is likely that when people make wills they experience the process as one of great meaning and significance to them as individuals. This is not surprising given that the material goods and property which make up an inheritance represent a lifetime of accumulation and the decisions made concerning the division of the inheritance, the selection of beneficiaries, and the material goods mentioned as bequests are, by and large, decisions that involve people with whom the will maker has had intimate and long established personal ties. The words 'last will and testament' denote that the will is understood as being precisely that: a person's last words. It is this sense of finality that makes wills unique and marks them as 'special documents'. While these last words may be shown to others during the will

maker's lifetime, they do not take effect for the living or have any force in law until after the will maker's death. A will therefore, is a form of communication which links the living and the dead and can make clear the nature of this link. In this regard a will is a meaningful personal document. The manner in which property and possessions are disposed of can also give us glimpses into the thoughts and emotions of will makers, their sense of what is right and proper, and even their sense of who they are and how they wish to portray themselves. Wills indicate too the types of property and material goods that will makers deem significant, a theme which I will take up in the following chapter.

From a sociological point of view however, wills are every bit as much social documents as they are personal documents. When viewed as social documents it is clear that their contents are shaped as profoundly by the social context in which individual will makers live their lives as they are by any individual wishes of the will makers themselves. From a Bourdieuan perspective, the social context is better conceived of as external, objective structures that provide the foundations for, and set the constraints in which social interaction is influenced and shaped. In this case the objective structures that influence the individual will maker's decisions could extend to encompass the social roles like parent, spouse, friend, church goer, and so on, that will makers take on and reproduce over the course of their lives, the legal framework that limits a will maker's decisions in ways that the individual is not necessarily aware of, economic and political structures that define the nature of property itself, and ideological structures which shape and influence the way in which will makers perceive the value and importance of family, the way they think about themselves as individuals and such moral values as deservingness, reciprocity, equity and justice.

The study of wills provides an opportunity to demonstrate the interweaving of the personal and the social, the subjective feelings, emotions, thoughts and attitudes of the will maker with the objective external structures which shape and influence social action. Through studying wills we can see the inextricable

link between individuals and social structure, with neither structure nor agency unfettered and with each acting upon and influencing the other.

6.3 The Legal Context

While a will may be formally defined as a written document in which the intentions and wishes of the will maker are expressed with respect to the disposition of her or his property after death, it is nevertheless an instrument surrounded by formal and technical rules.¹ Although made during the will maker's lifetime, a will is ambulatory, in that it has no force in law and cannot be put into operation before the will maker's death. In addition, a will enables the transmission of only certain categories of property or interests that belonged to the deceased. The transmission of joint property, as in the case of a joint family home, operates through the process of survivorship which lies outside the parameters of a testamentary act. Under law it is considered that the survivor does not succeed to the decedent's interest in the property because that interest had been acquired at the time when the property was first transferred. The death of one of the joint owners only frees the property from the control of that specific owner² (Hardingham *et al.*, 1983).

In New Zealand, wills fall into two categories: privileged and unprivileged. A privileged will can be made by certain members of the armed services and seamen in certain circumstances in which the formal requirements are relaxed. Such a process is however, rare. Nonprivileged wills must be embodied in

¹ It is now common to hear the words will and testament either linked together or used interchangeably. In the past however, a clear distinction was made between the two terms. A will was the means by which real property was transmitted and a testament the means by which personal property was transmitted.

² Specific regulations also apply to joint bank accounts, life insurance policies which provide for a payment to a specific person (or people), pension schemes and gifts made in contemplation of death (Hardingham *et al.*, 1983).

writing³, must be dated and require the signature or mark of the testator at the end of the will.⁴ This signature must be attested to by two witnesses who have to be present when the signature is made. In New Zealand law the minimum age at which a person can make a will is 18, although a married person under the age of 18 may make a will.⁵ A further function of the will is the appointment of some designated person(s) as trustee(s)⁶ to carry out the will maker's wishes. A will is revoked by a later valid will or by subsequent marriage, unless the will is made expressly in contemplation of that marriage. Dispositions to a spouse in a will are revoked on the dissolution of a marriage.

The purpose of a will is to ensure that property is distributed in accordance to the testator's wishes. Property distribution follows a set procedure. Once it has been established that the trustees appointed by the testator are willing to carry out the task, official recognition of their authority to operate in this role must be obtained. This is done through application to a High Court official, usually the registrar of probates and administration. The recognition granted by this official is known as a grant of probate and the document which makes the grant official is called a probate. In order to grant probate the registrar must determine that the will maker had intended the document produced to be a will, that the will maker was old enough and had the mental capacity to make a will, that the will maker had not been subjected to undue influence when making the will and that the document itself complied with legal requirements and had not been revoked. Once probate is granted the trustees gather in the assets of the deceased, pay off

³ All the wills I read had been made with the assistance of a lawyer and followed a generally standardised format. This is not a necessary condition however, and as long as the requirements outlined above are met a will is valid. The literature on wills shows enormous variation in the form wills take. They have, for example, been written on a bridge score card, a page of a cook book, a hospital chart, a dance invitation, a petticoat, an eggshell, the fender of a tractor and a jail cell wall (Bryant and Snizek, 1975: 222).

⁴ If the testator is unable to sign or make a mark on the will this can be done by some other person in the presence of the testator.

⁵ Special provisions can be made for people under the age of 18 who have never married to make, or revoke a will with the approval of the Public Trustee or the Magistrate's Court.

⁶ Alternative, albeit clumsy, terminology for the term trustee is executrix or, in the masculine form, executor.

any debts owed and distribute the remaining assets according to the directives set out in the will (McKnight, 1994).

In cases where a person dies intestate, different mechanisms of property transfer apply. The registrar appoints a person, who is usually a close relative or friend of the deceased, to be the administrator of the deceased person's estate. Such an appointment is called a letter of administration and the document which makes this appointment official is the Letter of Administration (the equivalent of probate in the case in which the decedent died testate). The property of a person who dies intestate is distributed according to a scheme laid down in the Administration Act (1952) under which property is distributed to the intestate's formally married spouse, children, grandchildren, parents and siblings on a fixed share basis without regard to the actual circumstances of the beneficiaries.⁷ If the deceased left neither will nor next of kin, the property passes to the Crown (Hardingham *et al.*, 1983).

Wills are documents which offer property owners testamentary freedom, or the freedom to state what they want done with their property when they die. In most instances property distribution is carried out according to the will maker's wishes.⁸ Testamentary freedom however, is a relative not an absolute condition and the tendency is that the decedent's wishes are followed through when and/or because, will makers dispose of their property along lines consistent with current legal thinking and accepted social norms. An issue associated with testamentary freedom is the state of mind of the will maker. It has already been noted that before probate is granted it must be established that the testator was of sound mind when the will was made. Being of sound mind does not however, preclude the possibility that the mind was not at the same time an unthinking,

⁷ This seemingly rigid distribution of assets can be ameliorated by claims made under the Family Protection Act (1955).

⁸ In practice few wills are challenged. For example Mr. G. Ford, Probate Registrar at the High Court of Auckland estimated that probably 98 or 99% of all wills went unchallenged (Personal communication with Mr. Ford, 7 May, 1996).

malicious or even vindictive mind and that the will, as written, was not materially and emotionally damaging to family members and others to whom the will maker had made promises. For these and other reasons, mechanisms are available for the provisions of a will to be challenged in court. Challenges can result in the dispositions of a will being overturned and orders that the beneficiaries of a will take up the property in different proportions from those intended by the will maker, or that a part or even all of an estate go to someone not named in the will. While courts claim their function is not to 'rewrite' the will of the will maker, their actual powers to do so are extensive and although challenges are infrequent, when they are made the court's powers are often exercised (Law Commission, 1996: 8). For example Peart (1995) has suggested that just over 90% of children's claims are successful when contested in court. Currently in New Zealand the Matrimonial Property Act (1963), the Family Protection Act (1955) and the Law Reform (Testamentary Promises) Act (1949) provide the legal grounds on which such challenges are based. More important however, is the effect of this legislation on the way wills are written. The vast majority of wills are drawn up by lawyers whose knowledge of succession law and the grounds for possible claims, strongly shape the form and nature of bequests.

Under the Matrimonial Property Act the legal or de facto spouse of the testator can claim a share of the estate as long as she or he can show they have made contributions to the estate in the form of financial contributions, services or good management. An award made under this act takes priority over bequests to other beneficiaries and thus operates as a limit on testamentary freedom.

Under the Family Protection Act certain members of a testator's family may claim 'adequate provision' for their 'proper maintenance and support'. These family members are the spouse, children of any age, grandchildren, stepchildren and parents. It is not possible for a de facto spouse, or siblings of the deceased to claim under this act. The act was initially passed in 1900 in order that a man could not disinherit his wife and children and so leave them destitute and

dependent on state support. It was underpinned by a belief that a man had a moral obligation to his wife and children. As the law developed the notion of moral obligation widened to include situations where the spouse and children were not destitute, and led to the present law which allows even adult children and parents who may be neither needy nor dependent to make claims. A claim made under this act is dealt with by a judge who will make decisions on the grounds of whether the deceased has breached the 'moral duty' owed to the claimant. Each claimant is considered on her or his own merits, rather than on the application of a legal principle such as the principle that all children should be treated equally (Sutherland, 1996). Peart (1994: 209) has argued that the Family Protection Act has had a profound effect on testamentary freedom, reducing it to a 'hollow image of its former self' and restricting it to those without families.

The Law Reform (Testamentary Promise) Act also limits testamentary freedom in that it allows a claim to be made on an estate on the grounds that the testator promised to provide for the claimant in the will because of services provided by the claimant during the testator's lifetime. Sutherland (1996) claims it is quite common for an elderly parent to promise a daughter or son that if they look after the parent during the parent's lifetime, their services will be remembered in the will. Failure of the parent to recognise these services are grounds for challenge.

Currently, New Zealand's succession law is under review by the Law Commission. In a draft paper on the topic the Commission put forward a number of questions which they thought required resolution during the process of the review (McKnight, 1994: 28). One strand of questions concerned family duties and obligations and focused on the duties family members owed each other, the duty owed to family members by will makers and the issue of whether, or in what way, those duties should be recognised in succession law. An associated question concerned the limits of testamentary freedom. Other questions raised by the Commission had to do with the nature and level of

formality of the rules governing property disposal, the priority that should be accorded to claims against the estate and the question of what property is part of the estate for any particular purpose. Procedural questions over the way both undisputed and disputed estates were administered were also raised.

The proposals put forward by the Law Commission for discussion differ from present law most significantly in two areas. First, the Commission proposes extending and clarifying the right to claim for those who lived with, or were dependent on the will maker. The aim of this prospective change is to remove unfair distinctions based on traditional views of family structure. Second, the Commission proposes to reduce or take away the right to claim of those not living with the will maker in a close family relationship. The first proposal would significantly increase the right of a surviving spouse to claim and the second would diminish the rights of independent adult children. If, at some future date these proposed changes become law, testators would be able to select a greater or narrower range of beneficiaries. The proposal to extend the rights of those living with the will maker would bring the law up to date to encompass *de facto* and same sex partnerships. It would also strengthen the position of women as wealth holders, given that the majority of partnerships are those in which women outlive their male partners. In short, the changes would allow for greater testamentary freedom.

6.4 Bequeathing Patterns: Evidence from Overseas Literature

I have argued that wills are social documents that provide a good resource for social scientists interested in examining the interconnections between people and property. Long used by historians and demographers as a data source, they have tended to be overlooked as a resource for most social scientists (Davidoff and Hall, 1987; Finch *et al.*, 1996). As noted in Chapter 1, the literature on inheritance in sociology is sparse. Sparser yet is research that uses wills as the basis for conducting sociological research. As Bryant and Snizek (1975: 219) comment ‘the last will and testament appears to be the single most neglected document in sociological research’. The following selective literature review is

intended to illustrate a range of social science research that has made use of wills as a data source and to provide a comparative dimension to my work.

British researchers over the last two decades have produced a sprinkling of research which has focused on bequeathing patterns. The 1974 Diamond Commission (Royal Commission, 1975), Horsman (1978) and Hamnett *et al.* (1991) all used wills as the basis for their studies of bequeathing patterns. A key point that emerges from these studies is that while overall testators leave most of their wealth to family members, the relative proportions going to spouse, children and other family members differs according to the value of the estate. Horsman analysed bequests from 285 high value estates (all above £50,000) and found that the spouse was the main beneficiary in over 35% of the cases, children in a further 30% of cases, other relatives of the same generation in nearly 9% of cases and other relatives of the next generation in 11% of cases. The Diamond Commission which considered estates above £15,000 found a similar overall pattern, with approximately 60% of estates going to spouses and children and almost 90% going to relatives, but broke down further their analysis to show variations in bequeathing patterns according to estate size. The Commission found that larger estates tended to be more equally distributed than smaller estates and tended to have a greater range of beneficiaries. A tendency for an inverse relationship between the share of property bequeathed to relatives and the overall size of estate was also noted with 75.5% of the estate value bequeathed to relatives in estates of £500,000 or more to 90.6% bequeathed to relatives in estates of £15,000-£50,000. Like the two other studies Hamnett *et al.* showed that regardless of estate size most wealth was bequeathed to close family members. Almost half the estates in their sample were left entirely to surviving spouses and nearly 22% went to a child or children only. Their findings differed from those of the previously mentioned studies in that they found a greater percentage of estates left to spouses, with the percentage of estate bequeathed to spouses rising as the value of the estate increased. One explanation for this difference could be that of timing, with the wills in the latter study being probated in 1981 while the wills from the other two studies probated in 1973. In addition, the sampling technique used by Hamnett *et al.*

ensured that a range of will values was considered⁹. A further feature noted by both Horsman and Hamnett *et al.* was the relationship between inheritance and age, with the recipients of most inheritances already either middle aged or elderly. This feature was commented on in Chapter 5, with regard to my own case study material.

Like my research, Hamnett's too revealed the gendered nature of bequeathing patterns. For example, Hamnett *et al.* found that over three times the proportion of men to women named a surviving spouse as sole beneficiary to a will and while 82% of men left their entire estate to either their spouse, a child or children, only 56% of women followed this pattern. Much more women's wealth went to beneficiaries outside the immediate nuclear family. Both these patterns can be explained by women's greater longevity. In their examination of bequeathing patterns Hamnett *et al.* also found a significant difference between the value of women's and men's estates, with the average value of women's estates only 70% of the average value of men's estates. Yet women's estates themselves differed in size, with the estates of married women being on average of higher value than those of widows, which were on average more valuable than those of never married women. While my study has been able to pick up on patterns of bequeathing and shows similar results to Hamnett's, the methodology I followed precluded me from commenting on estate value and gender, except at the level of the aggregate data presented in Chapter 4.

A further point of similarity between my analysis and that of Hamnett *et al.*, is the distinction drawn in both studies between the initial recipients of inherited wealth and the longer term recipients. In my study I characterise this distinction as that between partially dissolving estates and finally dissolving estates. Once this distinction is made it is clear that intergenerational wealth transfers are much more common from female estates. While on average male estates are larger than female estates, when it comes to analysing the impacts of

⁹ Wills below £25,000 had to be excluded in the Hamnett study as the exact figure of the estate was not given for these wills.

intergenerational inheritance on the living it is female estates and female bequeathing behaviour that will inevitably become the major focus of study.

Two further areas of relevance concerning bequeathing patterns come from the American literature on inheritance. The first deals with public opinion on how property should be bequeathed and the second on future trends in bequeathing patterns. Research by a group of American scholars compared public opinion on how property should be distributed at death with intestate law on property distribution (Simon, Rau and Fellows, 1980; Simon, Fellows and Rau, 1982). During telephone surveys respondents were asked to place themselves within various scenarios such as, they were married and had a minor child, or they were married and had an adult child, they were married but had no children etc., and then asked how they would want their property distributed. Their responses were later compared with intestate statutes. The researchers found that public opinion and intestate statutes differed most significantly regarding the proportion of the estate that a spouse should receive, with intestate law awarding a smaller share to the spouse than popular opinion favoured.¹⁰ While a minority of states would award the spouse more than 50% of the estate, the majority of respondents thought the spouse should inherit the entire estate. As expected, and in accord with the law of all states, equal treatment among children regardless of age, sex and blood ties was endorsed. The findings were constant regardless of the socio-economic status of respondents. These studies on the discrepancy between public opinion and law provide an interesting point of comparison between what people think should be done and what occurs in practice. They are also relevant to this research in light of possible changes to New Zealand's succession law.

Of relevance too, but outside the parameters of this research are Rosenfeld's ideas on new trends in estate planning and the changing bequeathing behaviour of the elderly (Rosenfeld, 1992). What Rosenfeld claims is that social

¹⁰ The survey was carried out with respondents from 5 states. Intestate law differed among states.

and demographic changes are 'creating new roles, new responsibilities, and new beneficiaries [for] older Americans' (Rosenfeld, 1992: 46). He argues that people are living their lives differently from the way they would have two or three decades ago and these changes will increasingly become recognised in the bequeathing behaviour of the elderly. For example, there will be greater stress on step children, foster children and community organisations as beneficiaries and more recognition given to the role women play in caring for their parents.

From interviews with a group of elderly respondents Rosenfeld developed a four part typology of new bequeathing styles. First were the 'harmonisers' who made up 44% of those he interviewed. This group intended to leave everything to their children and grandchildren, while striving for equity of outcome by helping each descendant according to perceived need. Gift giving and bequests of unequal size in their wills characterised this group. 'Equalisers' who believed that all children should inherit equal shares in the estate comprised 31% of those interviewed. 'Caregivers' made up 14% of Rosenfeld's sample. This group represented the growing trend in American society for grandparent involvement in the rearing of their grandchildren. Currently 4% of white children and 12% of black children are being brought up by grandparents, but a much larger percentage of children have grandparents who, while not rearing their grandchildren alone, play a major role in their upbringing. The remaining 11% of the sample were characterised by Rosenfeld as 'distancers', those elderly people whose links to and involvement with community or charitable organisations, religious groups and friends and neighbours were stronger than their involvement with their families. This group tended to leave much greater proportions of their estates outside of the family.

As the material below shows, the bequeathing patterns in my study are far removed from those Rosenfeld identified among the group of elderly, largely middle class Americans he studied. However, New Zealand too has experienced rapid social and demographic change over the last two decades, which is particularly noticeable in data on household and family forms, marriage,

remarriage, de facto relationships, divorce and patterns of child rearing. As yet these changes have had more impact on younger people than older people. Thus the new patterns Rosenfeld sees emerging in America have not had sufficient time to work through the age cohorts and to date have had little impact on the bequeathing patterns of elderly New Zealanders. What Rosenfeld does provide is a plausible scenario of New Zealander's bequeathing patterns two or so decades into the future.

6.5 Methodology

In Chapter 5, I discussed in some detail the methodology used in gathering the data from the Land Titles Office and noted that on the transmission documents lodged at that office, property was transmitted in one of two ways. Joint property, like the joint family home was transmitted through survivorship, in which event the probate number was not generally noted on the transmission document.¹¹ Property owned outright was transmitted via a will (or letter of administration), in which case the probate number was recorded on the transmission document. In turn, I recorded the probate number on each case's data sheet and subsequently entered these on the database. The next step in the research was to gain access to and read the wills for which I had probate numbers. In New Zealand wills come under the jurisdiction of the Justice Department and are lodged at various High Courts throughout the country. I therefore made application to the Registrar of the High Court in Christchurch in order to gain access to these wills. This was granted. Not all wills for which I had probate numbers could be retrieved, but in all, I read 293 wills.

The reading of wills can be a confusing business and as a separate exercise, might not always reveal much about the nature of bequeathing patterns. In part, this is due to the somewhat cryptic or non-informative way in which wills

¹¹ There were a few instances however, in which a probate number was included even when the property was transmitted via survivorship. There were also some instances in which a copy of the will was attached to the transmission document. All these have been utilised in the analysis of wills for this chapter.

can be written. For example, a will might state that the entire estate is to be shared equally among the deceased's children with no indication of either the number or identity of these children. Alternatively, a will might state that the estate is to be shared equally between two named people but give no indication of their relationship to the deceased. Hamnett and Harmer (1990) and Hamnett *et al.* (1991) pointed to these and other difficulties in their discussion of bequeathing patterns, but claimed that despite the difficulties they were able to make a reasonable assessment as to the major beneficiaries of a will in all but 8.8% of the cases they studied.

One advantage of my research design was that when I embarked on the reading of wills, I was already equipped with a great deal of information about the deceased and the deceased's family which I had gleaned from a variety of official documents and other sources. For example, from the transmission document I knew the marital status of the deceased and invariably the name and sometimes the age of the spouse and from the Death Certificate I could find the number, sex and ages of surviving children. This information was further augmented by locating and reading the decedents' death notices inserted in local newspapers. Frequently death notices provided extra information or clarified points that were unclear in the public records. Although I was not able to locate the death notices for all decedents because either, no death notice had been inserted in a newspaper, or the death notice had been published in a newspaper other than the ones I searched, death notices were located for the vast majority of decedents. From studying the death notices I was able to add to my files the names of the spouse (or deceased spouse), children, grandchildren, in-laws, nieces and nephews, companions and even friends of the deceased. Typically, mention of children in death notices was made according to age, beginning with the eldest and working down to the youngest. For those decedents for whom I had no death certificate data, but whose death notices were located, I took the

number of children cited in the death notice as the official number of children of the decedent. While each source helped me piece together a map of the deceased's family, I found the information contained in death notices extremely valuable when it came to interpreting wills because of the necessity of knowing the names and numbers of beneficiaries and their relationship to the decedent. In addition, the inclusion in death notices of the names of previously deceased relatives and friends of the decedent helped overcome the problem commonly found in the study of wills, of the named beneficiary on the will not being the eventual recipient, because of death or changed family circumstances that had occurred between the time of writing the will and the will maker's death.

When working through the wills I proceeded from the assumption that, with no evidence to the contrary, the named beneficiaries on the will were those who received the inheritance. Because of the extent of the detailed information I had gathered on the decedents and their families I had little difficulty in ascertaining the identities and relationships of the major beneficiaries for the vast majority of cases. In the few instances where one or other detail of evidence was missing, it was still possible to make a reasonable assessment regarding the relationship of beneficiary to decedent. There were no cases in the sample in which I was not able to work out to my satisfaction, the relationship between the decedent and the major beneficiaries.

The fact that the privacy regulations in New Zealand prohibited the examination of documents containing detailed lists of assets and debts and figures for total estate values for each individual, could have posed a problem for this study. In this case the problem could be defined as follows: given that wills often state that particular assets are left to specified beneficiaries, how best could I gauge the value of these assets in order to judge the value of the estate or proportion of the estate left to each category of beneficiary, given the absence of detailed estate schedules. The problem was reduced however, because I was able to gauge accurately the value of one major asset in all estates, the property that was the subject of the Land Titles Office transmission document. In instances where the

property had been sold I had recorded the selling price noted on the transfer document at the Land Titles Office and took that to be the value of the property. In all other cases the government valuation of the transmitted property was a reasonably accurate indicator of its value.¹² The problem then became one of how to assess the value of the other components of the estate?

In practice, the problem was not nearly as difficult to resolve as I had anticipated. The vast majority of wills were relatively easy to decipher, with either the entire estate or almost the entire estate being left to a decedent's spouse or children. Even the wills which contained very detailed instructions for the passing on of keepsakes and small legacies, generally left the residue of the estate to identifiable beneficiaries. Knowing that the value of the residue was, at minimum, the value of the real property on which I could put a relatively accurate figure, it was a somewhat trivial task to compare the possible value of smaller items with that of the real property and thus establish the identity and relationships of the major beneficiaries for each will.

I decided that in order to classify an estate as passing to an individual (like a spouse) or a group of people (as in the decedent's children), 80% or more of the value of the estate must go to that individual or group. I made that decision on the grounds that it seemed absurd to declare an estate as going to a combination of categories of recipients, when in fact the bulk of it went in a single direction. For example I categorised the spouse as being the major beneficiary of an estate which contained real property to the value of \$120,000, when the spouse was left the residue of the estate and say three children were left a legacy of \$1,000 each. To my mind there was no question that the testator's intention had been for the bulk of the estate to be left to the spouse, and I therefore categorised such cases accordingly.

¹² Some variation is observable between Government Valuation and market prices because Government Valuations are conducted on a 3 yearly basis.

It was possible to gauge the beneficiaries of the real property owned by all the decedents in the sample, given that the property was either passed on through survivorship or via a will. The results of this exercise and the bequeathing patterns of real property for the entire sample are shown in Table 6.1. The bequeathing patterns derived from the 293 wills read as part of this study are shown in Tables 6.2 to 6.4 and discussed in the accompanying text.

6.6 Bequeathing Patterns

The data I collected on bequeathing patterns show that in general, the passing on of material wealth occurs as a two stage process. The first stage involves the passing on of wealth to a remaining spouse or partner. Estates passed on in this way could be defined as partially dissolving estates. If one takes the view that during a marriage or *de facto* partnership both partners make equal contribution to a relationship, then the passing on of such estates is merely a lateral movement of property, recognising these contributions. Partially dissolving estates are important to examine for a number of reasons, including the sex of the initial beneficiary and the influence this might have on final bequeathing behaviour. They do however, sit largely to one side of the debate regarding the role of inheritance in maintaining and creating new economic divisions.

The second stage of the process involves the passing on of finally dissolving estates, those estates in which the decedent either no longer had, or had never had, a spouse or partner (i.e. the decedent was a widow or widower, divorced, single, or was not in a *de facto* relationship). These are the estates which are most significant for the debate over the impact of housing wealth inheritance on intergenerational wealth transfers in particular. Some 45% of the estates in my study could be described as finally dissolving estates. The two stage process would cover just over 90% of the estates in my sample, those estates in which the marital status of the decedent was defined as married, *de facto*, widow or widower. Only 9.5% of estates did not fit the two stage process. These were the

estates of single and divorced people and the 1.4% of estates for which I was not able to discover the marital status of the decedent.

6.6.1 Beneficiaries of Real Property (Entire Sample)

Table 6.1 shows the direction of the flow of real property for all the decedents in the sample, regardless of whether the property was transmitted through survivorship or via a will. Because wills were not read for all decedents in the sample I cannot state with certainty that all property was transmitted following the same pattern. It is likely however, that the broad patterns of the transmission of the real property component of estates and the transmission of the entire estate are relatively similar.

Table 6.1: Major Recipients of Real Property by Sex of Decedent

Recipients of Real Property	Sex of Decedent					
	female	female	male	male	total	total
	no.	%	no.	%	no.	%
spouse/partner	77	31.4	242	72.5	319	55.1
later generation(s)	127	51.8	51	15.3	178	30.7
various (conditional)	14	5.7	25	7.5	39	6.7
same generation	12	4.9	7	2.1	19	3.3
various	9	3.7	5	1.5	14	2.4
charity	6	2.4	2	0.6	8	1.4
parents	0	0.0	2	0.6	2	0.4
Total	245	99.9	334	100.1	579	100.0

As Table 6.1 indicates approximately 55% of all decedents in my sample passed their real property to a spouse or partner. This group comprise stage one of the two stage process. Simply observing the overall percentage however, does not reveal the considerable difference between the proportion of females (at 13.3% of the entire sample), and males (at 41.8% of the entire sample) who have transmitted their real property in this way. Table 6.1 also shows a similar gendered pattern when examining female and male bequeathing patterns separately. More than twice the proportion of male to female property owners passed on their real property to their spouse or partner, i.e. 31.4% of all female decedents as against 72.5% of all males decedents.

The gender disparity can be explained by a combination of two factors. The first, demographic influences, comprise a combination of women's greater longevity¹³ and the general tendency for females to be younger than their male partners. The second factor is the lower incidence of property ownership among females. In part, this could be due to the generally inferior economic position women hold in New Zealand society and their lesser ability to amass wealth. Already indirect evidence of women's inferior economic position in terms of the comparatively lower value of female to male estates has been demonstrated in this study (see Chapter 4, Tables 4.4 and 4.12). In part too, the lower incidence of women's property ownership might be explained by traditional, masculinist attitudes towards ownership. I have no interview evidence to support this conjecture, but would argue for the plausibility of the explanation on the evidence of the ownership data I accumulated from the Certificates of Title. As noted in Chapter 5, section 5.3.2, 42.4%, or 50 of the 118 male property owners who had their property registered in their name only, were married at the time of their death. By contrast, only 4.4% of females whose property was registered in their name only were married at time of death. Thus over ten times as many married men as married women had real property registered in their name only.

Overall, approximately 31% of the decedents in the sample transmitted the bulk of their real property to the next generation(s), but again the overall figure hides the significant difference between the percentage of females and males in this category. Of those who left their real property to the next generation(s) 71.3% were female and 28.7% male. Included in the category of next generation(s) are children, grandchildren, nieces and nephews, stepchildren and fosterchildren. As Table 6.1 shows, nearly 52% of all female owners of real property left their property to members of the next generation, whereas only 15% of their male counterparts fell into this category.

¹³ As noted in Chapter 5, the average age at death for women in this sample was 73 and for men, 70. For further evidence of the differences between female and male ages at death see Chapter 4, especially section 4.4.5 and Figure 4.8.

Approximately 6.7% of the total sample fit the category I have entitled 'various (conditional)'. In this category I have included the instances where specific conditions are written into a will by which typically, a person or group benefits from, but does not control, the real property left by the decedent. Once the conditions set in the will have been fulfilled, the property is then divided among a different set of beneficiaries. Only 7.5% of the sample left their real property to recipients other than those in the three categories mentioned above. The major recipients of this property included members of the same generation, mixed generations, charity and parents. Wills were read for most of the decedents who fit into these categories and will be discussed in more detail in later sections of this chapter.

6.6.2 Bequeathing Patterns from Wills

The following subsections describe the basic patterns of bequeathing in the 293 wills examined as part of this study, looking specifically at the relationship between testator and beneficiary. The categories of the major beneficiaries named in the wills are set out in Table 6.2 and are considered in turn below. I begin the discussion however, by making two general observations about the differences between this table and Table 6.1 and follow this by an analysis of Table 6.2 itself.

First, the broad patterns in the two tables are clearly different. Table 6.1, for example, shows that approximately 55% of real property transmitted went to the surviving spouse or partner. I characterise this lateral movement as the first stage of the two stage process of inheritance. Table 6.2. shows that the transmission to spouses category was much reduced in the selection of wills read, with only 18.8% of estates transmitted to the surviving spouse as major beneficiary.¹⁴ The corollary of this pattern as shown in Table 6.1 is that 30.7% of decedents left real property to the next generation or generations, and in

¹⁴ Omitted from these figures are the spouses who, according to certain conditions set down in the will, were given specified rights over part or all of the estate as long as the stipulated condition was fulfilled, but were not given control of the estate. These are included in the category various (conditional).

Table 6.2 that 56.7% of will makers left the bulk of their estates to members of the next generation(s).

Table 6.2: Major Recipients of Entire Estate by Sex of Decedent: Wills Only¹⁵

Major Beneficiaries of Entire Estate	Sex of Decedent					
	female	female	male	male	total	total
	no.	%	no.	%	no.	%
later generation(s)	119	72.6	47	36.4	166	56.7
spouse/partner	8	4.9	47	36.4	55	18.8
various (conditional)	13	7.9	24	18.6	37	12.6
various	9	5.5	5	3.9	14	4.8
same generation	9	5.5	3	2.3	12	4.1
charity	6	3.7	2	1.6	8	2.7
parents	0	0	1	0.8	1	0.3
Total	164	100.1	129	99.9	293	100.0

Second, there is a significant difference in the proportion of female to male decedents in the two tables. As indicated in Table 6.1, of the decedents who transmitted real property 245 of 579, or 42.3%, were women. Table 6.2 shows however, that of the 293 will makers, 164 or 56% were women. The explanation for this seeming discrepancy is that Table 6.2 contains a much higher proportion of finally dissolving estates (all estates except those passing to spouses or partners, and those which had conditions attached). While finally dissolving estates make up only 38.2% of the entire sample (Table 6.1), they comprise nearly 68.6% of the estates that were the subject of wills (Table 6.2). This difference points to a feature fundamental to the study of housing inheritance: namely, that the study of inheritance patterns solely through the study of wills, does not provide the basis for a sufficiently subtle understanding of the place of housing in inheritance. Because housing can be passed on through survivorship, a mechanism that operates outside of the will, and

¹⁵ A proportion of the decedents whose estates were passed to a spouse or other relative through survivorship would have had a probated will. However, given that I read the wills only of those decedents whose probate numbers were noted on the transmission document at the Land Titles Office, I do not know this proportion.

because inheritance is largely a two stage process, the analysis of housing wealth inheritance must have as its basis a means of tracking the movement of housing through this process. The design followed in this thesis allows for this tracking, and sets this research apart from other work such as that of the Hamnett team, whose methodology precluded such tracking. I cannot claim however, that the bequeathing patterns identified in the wills I read as part of this study, would necessarily reflect the bequeathing patterns of wills sampled randomly from all wills lodged at the High Court for any one time period. It is likely that a random sample of wills would contain a greater proportion of estates passing to spouses or partners, particularly male estates in which the spouse would be the major beneficiary.

Before examining in detail the major categories of beneficiaries from wills, it is in order to discuss the bequeathing patterns shown in Table 6.2, the most salient feature of which is the different pattern observable in female and male bequests. Table 6.2 shows for example, that nearly twice as many female as male estates were transmitted to the next generation and that male estates were over seven times more likely to be left to a spouse or partner. Male testators were also more than twice as likely to leave wills to which special conditions were attached, and female testators showed a greater inclination to leave their estates to various beneficiaries which included mixed generations and others, to members of the same generation as themselves and to charity. I commented earlier that these differences can be explained in terms of demographic factors and differential rates of property ownership. However, the implications are profound for the inheritance of housing wealth, especially when connected to the data presented in Chapter 4 on the differential value of female estates.

Table 6.2 also provides the basis for constructing a further table showing solely the bequeathing patterns of finally dissolving estates taken from wills read in this study. This requires simply the removal of the categories 'spouse/partner' and 'various (conditional)'. The outcome of this is shown below in Table 6.3. The two obvious features this table clarifies are first, the significantly greater

proportion of finally dissolving estates in which the decedent is female (71.1%) and second, the remarkable similarity between female and male bequeathing behaviour. Had the analysis remained restricted to examining all property transmissions in the sample, or even the bequeathing patterns from all wills read, this feature would not have been discerned.

Table 6.3: Major Recipients of Finally Dissolving Estates: Wills Only

Major Beneficiaries of Entire Estate	Sex of Decedent					
	female	female	male	male	total	total
	no.	%	no.	%	no.	%
later generation(s)	119	83.2	47	81.0	166	82.6
various	9	6.3	5	8.6	14	7.0
same generation	9	6.3	3	5.2	12	6.0
charity	6	4.2	2	3.5	8	4.0
parents	0	0	1	1.7	1	0.5
Total	143	100.0	58	100.	201	100.

6.6.3 Spouse As Beneficiary

The American literature on inheritance and the family has suggested that bequeathing an estate to a surviving spouse is a means by which the spouse’s status, power and standard of living can be sustained (Sussman *et al.*, 1970; Glover, 1977; Rosenfeld, 1979, 1980). Yet at the same time there is a theme in this literature that the naming of a spouse as beneficiary is a form of disinheritance of the offspring, if not bona fide disinheritance, then at least technical disinheritance (Rosenfeld, 1982). Such a sentiment is quite outside current legal thinking in New Zealand on the matter of support for the spouse. For example, in its discussion on possible changes to current succession law, the Law Commission has commented that any law dealing with succession should promote and protect the vision of the family that is widely shared in New Zealand today: the family in which ‘women and men share equally in the wealth they have created and growing children are properly cared for and have their needs fulfilled’ (Law Commission, 1996: 3). The Law Commission recognises that, while in the past there was a stress on handing wealth down

from one generation to the next, current thought is that partners and minor children should be the major beneficiaries of estate inheritance. This position represents a significant shift in attitude towards adult children.

The data from my study show that what occurs in practice, is in line with what the Law Commission claims to be current thought on bequeathing behaviour. In most instances, married people do pass on their property to their surviving spouse. In my sample of 579 transmissions, approximately 55% of all cases involved the transmission of real property from one spouse to another. In the vast majority of these cases survivorship was the mechanism for transmission. Of the entire sample 47% of cases were transmitted by survivorship: 12% of all female cases and 35% of all male cases.¹⁶ At only 18.8%, the percentage of wills in which the estate was transmitted to the spouse was much lower.

Table 6.2 shows only 8 instances in which a female left an estate to her spouse. This represents only 4.9% of female estates, whereas 36.4% of male estates were transmitted to a spouse. One characteristic that sets apart this group of female testators from the sample as a whole is age at death. For the female testators who left their estates to a spouse the mean age at death was 63, whereas it was 73 for the sample as a whole.¹⁷

Four of the 8 female testators whose spouses were their major beneficiary, had housing in their estates that was not owned with their husbands as a joint family

¹⁶ Not all cases of survivorship however, dealt with the transmission of property to a spouse. In the nine instances in which property was transmitted to a person other than a spouse, 5 were to a daughter, 2 to a sister, 1 to siblings and 1 to a friend.

¹⁷ In this instance the mean could have been affected by the small number of cases in this category.

home. In one case the decedent, Melanie O'Brien, was a 32 year old woman and mother of a young son James, who had owned as tenants in common with her husband Tim, six tenths of a share of a Christchurch property. The remaining four tenths was owned by Melanie's mother. In her will Melanie left her entire estate to Tim who, as records show, bought out his mother-in-law's share some two years later. In another instance the 79 year old decedent Jane Collins who had bought a house with her husband as tenants in common with equal shares in 1960. Apart from making two specific bequests in her will of jewellery and one of a fur coat, Jane left her entire estate to her husband. In the third case Shirley Fraser, a 73 year old woman had bought a house in her name only in 1959. On her death, her entire estate save 'the articles of personal use or ornament', was left to her husband. These three cases are all interesting in that they highlight the tantalising nature of working with official records, the buried stories that lie beneath them, and the questions that they so often raise.¹⁸

The remaining 4 estates transmitted from wife to husband through a will were estates administered by a trust company. In all four cases the entire estate was left to the husband and the house was transmitted through survivorship. Included in the official documents was the trust company's record of the value and components of three of the four estates. The value of the dwelling which was transmitted independently, was not included as part of the estate's schedule. It is impossible to claim that the values of these estates are representative of the values of all female estates. Yet in keeping with the material set out in Chapter

¹⁸ In the case of Melanie and Tom O'Brien we have a young couple who had been in their house for only two years. Had they borrowed from Melanie's mother in the first instance to raise a deposit for their house? And why did Tim buy out his mother-in-law's share? One might also ask why Jane Collins and her husband held their property as tenants in common, rather than as a joint family home? And why was Shirley Fraser's property was in her name only? The records show that Shirley and Don, a retired warehouseman, had married when Shirley was 18 years old and between the ages of 18 and 40, Shirley had 5 children. Given her age, the number and ages of her children, and the descriptions on the official records of her as homemaker and married woman, one might assume that she did not work in paid employment. Yet the records show that Shirley bought her house when she was 43 years old. One plausible explanation for the story is that Shirley herself had inherited sufficient money from the estate of her father, a farmer, to secure a home for her family and the fact that the home remained in her name only, might be recognition of the source of the money.

4, they do show that most female estates are relatively small. Following are examples of these estates:

Estate 1: \$600 in Bonus Bonds, \$1,400 in Kiwi Stock, \$6,465 in a mutual fund and \$1,429 in shares. The entire value of the estate was \$9,894 yet this testator shared a family home with her husband of sufficient value to put it in the top 10% of houses in my sample.

Estate 2: a \$10,000 insurance policy

Estate 3: savings in two bank accounts to the value of \$28,300

Table 6.2 shows that the wills were read of 47 male decedents who left the bulk of their estates to their wives. Approximately 64% of these men had their real property registered solely in their own name. A further 30% owned their real property jointly with their wife and 6% owned their real property with their wife as tenants in common. At 66.5 years, the mean age at death of this category of male decedents was approximately five years younger than the mean age at death for the entire sample. Only three of the men in this group had been married twice.

Of all the wills read this group of wills were the least complicated, with 43 of the 47 will makers leaving their entire estate to their wife. Typically these wills read as follows: 'I devise and bequeath all my real and personal estate whatsoever to my wife {A} absolutely'. Only four wills departed from this or a similar form. In the first of these \$2,000 was left to the Anglican Mission and a vehicle to a male relative. In the second, \$5,000 was left to each of two daughters and \$500 to a local church. In the third, a bequest of \$1,000 was left to one daughter (but no special bequest to two other daughters). The fourth

testator in this category left £1,000 be shared equally among his children when they reached the age of 21.¹⁹

Four of the estates transmitted from husband to wife through a will were also estates administered by a trust company and included a schedule of assets apart from the house. The size of these estates can be compared to the size of the women's estates, examples of which are given above.

Estate 1: an insurance policy of \$9,900.

Estate 2: Bonus Bonds worth \$1,500, two bank accounts containing \$20,937 and \$1,458 respectively, Kiwi Stock to the value of \$1,000, a further \$1,068 with Government Life and \$331 with Southern Cross, making up a schedule of assets totalling \$26,294.

Estate 3: a \$3,500 life insurance policy, \$600 from a fidelity fund policy, \$21,755 deposited with a building society and \$517 in Bonus Bonds, an estate totalling \$26,372.

Estate 4: assets worth \$21,932, which apart from \$132 in Bonus Bonds, were bank deposits.

¹⁹ This particular will highlights an interesting feature of wills, namely that unless updated regularly, those wills which leave bequests of cash can disadvantage the intended beneficiaries and advantage the beneficiaries who inherit the residual estate or portions thereof. Aged 49 at the time of his death, this testator was still a "relatively young man", yet had not updated his will since it was first written in 1962. Had he died at that time and the £1,000 been invested his children would have benefited from a tidy sum at age 21. As it was, their bequests were worth only one third of £1,000 each in 1989.

6.6.4 Intergenerational Transmissions

The examination of intergenerational transmissions is an important aspect of the study of wills as these transmissions represent the largest category of finally dissolving estates (82.6%). Table 6.4 shows the range of beneficiaries of the intergenerational transmissions and the sex of the testator of the 166 wills in this grouping. Again the significantly higher proportion of women testators in this category (nearly 72%) reflects the greater longevity of females and the higher proportion of finally dissolving estates in which the testator is female.

Table 6.4: Intergenerational Transmissions

Major Beneficiaries	Female		Male		Total	
	no.	%	no.	%	no.	%
Child/ren equally	86	72.3	33	70.2	119	71.7
Child/ren not equally	16	13.5	6	12.8	22	13.3
Niece(s)/nephew(s)*	12	10.1	4	8.5	16	9.6
Children & grandchildren	2	1.7	2	4.3	4	2.4
Stepchild/ren	1	0.8	2	4.3	3	1.8
Grandchildren	1	0.8	0	0.0	1	0.6
Fosterchild	1	0.8	0	0.0	1	0.6
Total	119	100.0	47	100.0	166	100.0

* Includes great nieces/nephews

While there were many more female than male wills in my sample, the pattern of bequests was similar for female and male testators. Table 6.4 shows that 72.3% of the female testators left their estates to either their only child or, if they had two or more children, to their children in equal shares. Similarly 70.2% of male testators bequeathed their estates in this manner. While the principle of equality guided the majority of testators, a small but significant proportion chose not to follow this principle and distributed their estates unevenly or omitted one or more children from consideration. In a few instances the latter action occurred when there was an only child. Again, as Table 6.4 shows, the proportion of testators who distributed their estates in this way varied only slightly between the sexes. Similarly the proportion of female and male testators leaving the bulk of their estates to nieces and nephews was relatively similar.

Only a very small proportion of estates was left to grandchildren, stepchildren and fosterchildren and combinations of these categories.

The wills of most female testators who left their estates to an only child, or to their children in equal shares were relatively straightforward. Some indicated that certain possessions like jewellery, clothes or household items should go to one or other named child, or that a specified child should take responsibility for apportioning out personal and household items. For example Mihi Hill left the chattels that were in her bedroom to one daughter and asked that another daughter distribute her furniture and personal belongings in accordance with the list the daughter had been given while Mihi was still alive. The residue of Mihi's estate was to be divided into seven, with each of her seven children receiving an equal share. Phyllis Barlow, a 78 year old widow had two children, a son to whom she left her car and a daughter to whom she left her personal chattels. The remainder of the estate was to be divided evenly between them.

Rose Blake had two daughters aged 46 and 44 to whom she left her entire estate to be divided equally. Her will was uncomplicated but included information on the content of her estate, hence its relevance for this study. Attached to Rose's will was a schedule of the estate's assets and liabilities, indicating the value of her daughters' inheritance. The assets were as follows:

- a house with a Government Valuation of \$67,400
- shares to the value of \$1,074
- 4 bank accounts yielding \$23,912
- mortgage investments of \$61,000
- a motor car estimated to be worth \$1,500
- interest in estates of \$2,287

Offset against Rose's assets were the following liabilities:

- \$95 owed to Telecom,
- \$44 in two doctor's bills,

- \$34 owed to a plumber and
- \$2,204 for funeral expenses.

The balance of the estate was \$154,753. Land Titles Office records show that Rose's house was sold for \$76,000. After legal costs and real estate agent's fees it is likely that each daughter would have inherited approximately \$75,000, which represents a sum of money equivalent to the price of a modest house in 1989. It also represents approximately three times the yearly average earnings, which in August 1989 was \$25,229.²⁰

In her book *Warm Hearts and Cold Cash*, which explores the connections between money and intimate relationships, Millman claims that apart from divorce and intestacy laws, in middle class American culture there is little overt guidance concerning the way family money should be dealt with, except for the principle that children should be given equal amounts (Millman 1991: 2-4). Peart's examination of New Zealand's Family Protection Act indicates that currently the judiciary also support the principle of equality (Peart, 1994). In the interviews I conducted with a sample of intergenerational inheritors there was also strong endorsement for the principle of "children getting their fair share" (see Appendix A). The same principle was equally endorsed in the interviews conducted with a sample of elderly who had inherited from their spouses (Dupuis and Thorns, 1995b).

Equality however, is not the only principle underpinning testator bequest motives. The principle of equity can also be employed thus wills can be used as a means of balancing children's shares and 'evening up' any disparity of treatment that might have occurred during a testator's lifetime. Laura Dobson's will demonstrated the way in which the principle of equity works in practice. Laura was a 74 year old widow with a 43 year old son and a 40 year old

²⁰ The figure for the average earnings represents the average for all persons. The male average yearly earnings was higher and the female earnings lower (Department of Statistics, 1990: 378).

daughter. In Laura's will bequests of \$1,000 each were made to 5 grandchildren and a sum of \$5,000 bequeathed to her daughter. Her son, was left the residue of the estate, which at the very least comprised a mortgage free house that was sold for \$90,000. Implying the principle of equity, Laura explained this disparity as follows:

I record that I bequeath in this my last will and testament to my daughter {A} a lesser sum than I bequeathed my son {B} as a result of the disproportionate amount of money advanced by myself and my late husband to our daughter {A} during our lifetimes against amounts of money advanced by myself and my late husband in our lifetimes to our son {B}.

Table 6.4 shows that over 13% of all intergenerational transmissions effected by means of a will did not follow the principle of equality. If the analysis were restricted to wills in which the bulk of estates were left to children only, this proportion would increase to nearly 16% of all transmissions to children.

My study of wills provided examples of the three notable exceptions widely regarded as being grounds for violating the principle of equality. The first involves the situation in which special provision is made in a will for the support of a child who is incapable for reasons of physical or mental disability of supporting herself or himself. Such was the case for Ada Mulligan who made special provision in her will for her mentally disabled son David to receive the income from a \$15,000 investment, a relatively minor share of Ada's estate. On David's death the \$15,000 was to go to the Medical Superintendent of the institution where David lived. David's one brother was left Ada's residual estate.²¹

²¹ The interview with Rick Leslie covers the same theme.

The second exception which is viewed as valid grounds for violating the principle of equality is recompense for special consideration given to a parent by a child during the parent's lifetime. Frank Hill's will is an example of this. Frank died aged 90, leaving two daughters aged 69 and 67 and a son of 65. In his will he left a number of generous monetary bequests to grandchildren and a special stipulation that his daughter Elizabeth be forgiven a debt to him of \$31,500. Elizabeth also inherited the residual estate. Frank's will however provided an explanation for his actions, with the following clause:

I record that I have made no provision from my residuary estate for my said son {A} and my daughter {B} as I believe that they and their families are financially well off and have no need for financial assistance from me. The bequest of my residuary estate to my said daughter Elizabeth is in recognition of her kindness and responsibility in attending to my personal affairs over recent years.

Both Frank's inclusion of his other daughter as an executor and the bequests made to her children indicated no malice involved in this decision. A different sense came through however, in May Campbell's will, which shows the principle of special consideration operating in reverse, with the testator not leaving a bequest because of 'lack of consideration'. May was a 90 year old widow and the mother of four children, the eldest of whom had predeceased her. Apart from special bequests of paintings and furniture and four cash bequests to her grandchildren, May left the residual estate to be divided between a daughter and a son. Her will contained the following statement that explained her action.

I declare that I have not made any provision in the residue of my estate in this my will for my son {A} or his issue, or the issue of my late son {B}. My said sons {A} and {B} having declared during their lifetime that they had no wish to share in the distribution of my estate.

The third exception to the principle of equality is when one child has greater financial need. Generally this condition is qualified, and revocation of the equality principle is overridden by the principle of equity. Frank Hill indicated this in his will when he favoured his daughter Elizabeth over her two siblings on the grounds that they and their families were financially well off and had no need of financial help. Dora Farrington invoked this principle too in her will. Dora had three daughters, the youngest of whom Jenny, although a woman of thirty and mother of a small daughter herself, had always lived with her mother. In her will Dora left jewellery and keepsakes to all three daughters, her car to the eldest daughter, but her flat was left to Jenny. The rationale for this action, as I later learned in an interview with Jenny, was that her mother considered the flat to be just as much her daughter's and granddaughter's home as it was her own and that Jenny needed the financial support a home of her own would offer. Conversely, Dora recognised that her eldest daughter was already well set up financially and did not need to benefit from the inheritance. On the other hand her middle daughter did not deserve to benefit because of her behaviour in leaving her husband and children and going to live in Australia with another man.²²

In the past a common practice when making bequests was for male children to inherit a greater proportion of the estate than female children. Such a practice ensured greater male ownership of assets and wealth and was compatible with traditional notions of male authority and female dependence. According to Peart (1994: 209) the New Zealand judiciary no longer find acceptable gross disparities in the size of bequests between daughters and sons. Yet some wills, such as that of Liam O'Malley's still exhibited this phenomenon. Liam, a widower with 9 children, instructed his trustees to divide his estate:

... into fourteen shares ... to hold one such share for each of my daughters and two such shares for each of my sons as survive ... If a child predeceases me and is a member of the priesthood or any religious order of the Roman Catholic Church at the date of his/her

²² Excerpts from the interview with Jenny are included in Chapter 7.

death, then the share(s) to which such child would have been entitled shall pass to the Roman Catholic Bishop of his Diocese or the Mother Superior of her Convent.

I have discussed wills in which the reason for the disparity of size of bequests was clear. Other wills gave no reason for such disparities. For example, in one will a daughter was left half share in her mother's estate while her two brothers were left a quarter share each. In another, a daughter received a three quarter share of her father's estate, while the son received only one quarter.

While in theory the testators who have no children are more likely to exercise testamentary freedom. Testators who leave estates to nieces and nephews come into this category and thus have the option to leave their estates to as many or as few nieces and nephews as they wish. In my study none of the testators who left their estates to nieces and nephews were married at time of death and none had children of their own. There were a few instances however, in which the entire estate was left equally to all the testators' nieces and nephews. For example Victoria Catherwood left a legacy of \$10,000 for a great niece when she turned 21. Her residual estate was then to be divided into 9 equal shares for the benefit of her nine nieces and nephews. Other instances occurred where it was clear that the principle did not operate. For example George Barnes left a bequest of \$3,000 to one nephew, but the residue of his estate to a niece and provision for his niece's husband to be his major beneficiary if his niece had predeceased him. Similarly Carrie Alexander's nieces and nephews received different treatment. One quarter of her estate was to be divided equally among the children of one of her sisters. The three children of her other sister were to receive one quarter share each.

6.6.5 Conditional Wills

In this section I consider the group of wills in which specific conditions were associated with bequests. I have defined a conditional will as one which states

that certain actions will take place provided that a specified future event either occurs or does not occur. Such events may include the death or remarriage of a spouse, children's attainment of a certain age, or the payment to a designated person(s) of a specific sum of money. The attachment of conditions to wills often allows for a specified person(s) to benefit from, but not control the estate. Once the condition is broken, as in the case of the death or remarriage of a spouse, or a child turning 21, the estate is then divided according to the testator's wishes.

As Table 6.2 shows, 12.6% of the wills read had such conditions attached to them. The overall percentage however, obscures the fact that the wills of male testators were more than twice as likely as those of female testators to fall into this category. Before examining the kinds of conditions set and the categories of beneficiaries of these wills, it is useful to comment on the characteristics of the testators who attach conditions to their wills. The mean age at death of the male testators in this category was 70, the same mean age at death for the entire sample. Age therefore, does not appear to have an effect on this form of bequeathing behaviour. Three quarters of this group of male testators were married, 2 were widowers, 2 were divorced, 1 was single and 1 in a de facto relationship. The percentage of married men in this group is similar to that of the entire sample. Compared with the overall sample however, multiple marriage was more common in this category. Only 9% of married men overall had been married more than once, whereas 28% of the married testators who attached conditions to their wills had been married more than once (4 had been married twice and 1 married three times). This group of men also showed a high incidence of outright home ownership. Of the 24 men who attached conditions to their wills 18, (or 75%) had their property registered in their names only, whereas the incidence of outright ownership among men overall was just over 35%. A further 4 owned their properties with their wives as tenants in common, and only 2 had a joint family home. For this group of male testators it appears that the characteristics most associated with attaching conditions to a will are, outright property ownership and to a lesser extent, more than one marriage.

As a group, female testators who attached conditions to their wills had a mean age at time of death of 69 years. This was four years younger than the mean age at death for women in the overall sample. The marital status of this group of women also showed a different pattern from that of the sample. For this group 8 women were married, 3 were widows, 1 divorced and 1 living in a de facto relationship. The women in this category were much more likely to be married (62%) than were the women in the sample (34%). Less than 9% of the women in the entire sample had been married more than once, whereas 39% of this category of will makers had had more than one marriage. Of the 8 married women in this group, 5 owned their properties outright. Given that only 7 married women in the entire sample were outright property owners, the connection is strong between marital status, outright ownership and the testamentary practice of attaching conditions to a will. The other 5 women in the group owned property as tenants in common. No woman in this category owned property jointly. The differentiating characteristics of the female will makers in this group are that they tended to be younger than the sample as a whole and if married, have a higher incidence of outright property ownership and multiple marriage.

The most common condition attached to the wills of the 24 male testators was that their wife had the right to use and occupy the marital home and use the income from the testator's estate until either her death or remarriage, at which time the estate typically went to the testator's children or, if he were childless, to other relatives. Although there were slight variations on this theme, 75% of the male wills in this category had conditions attached which were of this nature. Percy Winter's will is typical of such wills regarding the conditions attached to the use of a residence. It states:

I give and devise the principal residence or ownership flat owned by me at the date of my death to my Trustee upon trust as follows: From the date of death to permit my wife the said Nancy Winters personally to reside in the said residence or flat with or without my

sons and to use the same as a home if she desires so to do, free of rent, until she remarries, dies or ceases to make the said residence or flat her place of permanent residence ... Upon the cessation of trusts declared in the preceding sub paragraphs, I declare that the said residence or flat shall fall into or form part of my residuary estate to be equally divided between my two sons as tenants in common with equal shares.

Percy Winter's will was also typical in that he willed to his wife his furniture and articles of household use and ornament. It was atypical however, in that he left his wife a legacy of \$30,000. The most common condition laid down in these types of wills was for a wife to be left the income, or a percentage of the income, from the estate until either her death or remarriage.

A variety of conditions were attached to the 5 wills in which the testator was unmarried. For example, in the case of Charles Hughes, who owned a house as tenants in common with his sister Mary, it was stipulated in the will that Mary should be permitted free use and enjoyment of the house during her lifetime. On her death, Charles' share in the house was to go to his niece. The remainder of his estate was divided evenly among his nephew's three children. In the case of Ron Evans, a man with four children, a bequest was made that his freehold property go to his daughter Helen, on condition that she 'make from her own resources the following payments': \$2,500 to Ron's former wife, \$5,000 to one son and \$2,500 to his other son. Ron's car was left to his other daughter Janet. The balance of the estate was to be divided into three and shared equally among Janet and her two brothers. Transfer records at the Land Titles Office showed the property was transferred to Helen Evans for \$10,000. In Wilf McIntyre's will, his household contents and residual estate were left to his sister-in-law Evelyn McIntyre. The will also stated that Evelyn retain residence in the house until her death, at which time the house would pass to her two children (Wilf's niece and nephew) in equal shares. The newspaper death notice described

Evelyn's relationship to Wilf as companion not sister-in-law, which in death notice terminology means *de facto* spouse.

In her analysis of the Family Protection Act, Peart discusses the attitudes of the judiciary to claims against their deceased spouse's estate by both widows and widowers (Peart, 1994). Such attitudes are the basis of judicial decisions, and are useful to examine as, by and large, they offer a view of the prevailing thinking of the day particularly on gender issues and inheritance. For example, historically in New Zealand, the reasons used for denying lump sum awards to widows claiming against their deceased husband's estates were threefold: first, they deprived children of their patrimony; second, the husband's capital should not be used to support the widow if she remarried; third the widow should not be left with a fund which she could leave to others. The judge adjudicating in the 1956 Crewe claim to extend the annuity to the period of a widow's lifetime rather than her period of widowhood, indicated that such an action would be seen as going beyond the moral duty owed by the testator to his widow. He wrote:

No doubt in these days there are husbands who may consider that they do owe a duty to make some provision for their widows irrespective of their remarriage, but, from the earliest times, the law has recognized that a husband has such an interest in his wife's widowhood as to make it lawful for him to restrain her from making a second marriage by making a condition that on such remarriage any provision he may have made for her shall cease ... (Quoted in Peart, 1994: 198).

Peart claims however, that over the last two decades the courts have shown a general change in attitude towards widows, recognising that widows should be able to continue to live at much the same standard as they lived when their husbands were still alive. Outdated too, according to Peart (1994: 199) is the idea that the widow of a second marriage is less deserving than a widow who has lived with, and acted as a partner for a testator for his whole life. The

current situation, as Peart perceives it, is that the widow's claim to her deceased husband's estate comes before any other claim, irrespective of the duration of the marriage, the state of the marriage, or whether it was a first or subsequent marriage for the testator. That such a significant number of married male testators had conditions attached to their wills demonstrates that the concerns of keeping the patrimony intact, controlling the possibility of a widow entering into a subsequent marriage relationship with another man and ensuring the widow did not have control of a fund she could leave as she wished, are still present.

The conditions attached to the wills of the female testators in this group involved husbands or male partners in 8 instances, children in 3 instances and sisters in 2 instances. An examination of a selection of the wills of women who were either married, or had a partner, show the extent of variation that takes place within a similar theme. Eileen Hawkins had been married to her second husband Bill for only three years when she died at the age of 72. In her will Bill was left a television set and car and the use of her house for three years or until his death or remarriage, at which time the house would become part of the residual estate and divided evenly between her two children. In less than two years after Eileen's death the house was sold. Noeline and Gerard Cornwall had been married for 43 years when Noeline died at the age of 67. Their house, located in a well to do Christchurch suburb, was owned as tenants in common. In her will Noeline left Gerard all the household articles, the money in one bank account, her car, her share in their house as long as he remained a widower and the residual estate. Noeline's will was very detailed, leaving jewellery and personal effects to her three children, small bequests of cash and mementoes to her sisters-in-law and the proceeds of an investment account to be shared equally among Gerard and the three children. In addition, Noeline's children were bequeathed equal shares in property she had inherited from her parents and an interest in her parent's estate. At the time of writing, Gerard remained living in the house he and his wife had shared. Finally Dorothy Worthington, a 64 year old woman with four adult children was living in a de facto relationship with her partner Earl Richards. They had bought their house less than three years

before Dorothy's death and owned it as tenants in common with equal shares. Dorothy bequeathed to Earl all her household and personal goods, including her jewellery and her car, the right to occupy the house until his death and the annual income from her estate. Again there was no caveat regarding Earl's occupancy of the house on remarriage. After Earl's death Dorothy's residual estate was to be divided evenly among her children. Dorothy and Earl's house was sold the same day as the transmission documents came through.

In three of the female estates, conditions were attached to wills that applied primarily to the will maker's children. In one case the decedent was a 41 year old widow whose five children ranged in ages from 9 to 16. The condition she applied to her will was that the children should not receive their share of her estate until they turned 21. In another case, a woman left the income from her estate to her daughter and on her daughter's death, the capital should be divided evenly between her daughter's two children. The two estates in which sisters were initial beneficiaries were both estates of relatively high value. Lillian Burns left her sisters \$10,000 each and the right to live in her house and use the household goods until their deaths. While Lillian left bequests of \$1,000 to three nieces and nephews the major beneficiaries of Lillian's will were three other nephews and a niece who benefited immediately from receiving a quarter share each of Lillian's shares and debentures and the proceeds of the sale of her personal belongings. They were also the future beneficiaries of a quarter share each of the proceeds of the sale of Lillian's flat after the death of her sisters. The condition Esther Walker stipulated in her will also involved her sister to whom she left her household goods, car and the income of her estate. Esther's only daughter was left the proceeds of Esther's building society account, but would not succeed to the estate until the death of Esther's sister.

6.6.6 Transmission to Same Generation as Testator

The wills included in this category had the bulk of the estate passed on to members of the same generation as the testator including siblings, in-laws,

cousins and friends. A remarkable uniformity was shown in certain characteristics of these testators. All three male testators were single, as were 6 of the 9 female testators. The other three were widows. None of these testators had children and all owned their properties outright. Nine of the testators in this category left the bulk of their estates to a sibling or siblings, two to friends and one to a combination of siblings and friends. In general, the wills of the female testators in this category were detailed and involved numerous bequests. A good example of such wills is Hazel Height's which is discussed more fully in Chapter 7. Apart from special bequests, however, the bulk of her estate went to two sisters and one brother. Nola Fleming's will was also detailed. She left 10 cash bequests to nieces and nephews and a range of other remembrances to relatives and friends. The remainder of her estate was divided into seven parts, with two parts going to each of three sisters and one part to a fourth sister. By comparison the wills of the male testators in this category were relatively uncomplicated. For example, apart from five cash bequests totalling \$1,400, one testator left his entire estate to one of his brothers. Six other siblings who were still living were not mentioned in the will. Another male testator left his estate to his three remaining siblings as tenants in common with equal shares.

6.6.7 Transmission to Beneficiaries of Various Categories

The classification of various or mixed categories was established to encompass the cases which did not fit the other more precise definitions of beneficiary categories. The wills included in this category had the bulk of the estate passed to two or more beneficiaries, at least one of whom was of the same generation as the testator, and the other(s) either an individual or group of the next generation(s), or charity. As Table 6.2 shows, this was a relatively uncommon bequeathing pattern, encompassing slightly less than 5% of wills. Although numbers were small, the tendency was for more female than male will makers to write this type of will.

The characteristics of the testators relevant to this category were marital status and number of children. In addition, all of these testators had properties

registered solely in their own names. Of the 9 female testators none had a spouse: five were single women, three were widows, one was divorced and only one had children. The marital status of four of the five male testators was known. Two were single, one a widower and one married. Only the married testator had a child.

Of the two cases where the testator ostensibly had children, one was straightforward the other complicated. Bernard McMillan left his entire estate to be shared equally between his wife and his only son. Janetta Nolan, on the other hand not only omitted her children from her will, but claimed she had no children. Janetta's Death Certificate showed that she had 4 children, two females and two males, ranging in ages from 20 to 28 and that she had been married twice and was divorced from her second husband. The names of her four children and two grandchildren were included in her death notice, as were those of her siblings, including her twin sister, nieces and nephews and a great niece also named Janetta. Yet Janetta's will contained the following words:

I have married only once and my marriage to {name of second husband according to Death Certificate} has been terminated by a divorce. I have no issue.

Janetta left her brother her car, furniture, household and personal articles and a sizeable cash bequest. The remainder of her estate was to be divided between the Cancer Society and the National Heart Foundation. I took the discrepancy between the information noted on Janetta's death certificate and the words Janetta included in her will to indicate much personal turmoil in Janetta's life.

The absence of a spouse or children offers greatest potential for the exercise of testamentary freedom, an indication of which was the number and range of beneficiaries chosen by the testators in this category. Apart from the testators whose wills were described above, two testators in this category had left their estates to be divided among three beneficiaries, and five testators divided their

estates among four beneficiaries. Of the remainder, one testator left her estate to 11 beneficiaries, 2 testators left their estates to 13 beneficiaries, one estate was to be shared among 15 beneficiaries and one testator named 24 beneficiaries in her will.

Ngairie Bates OBE, a retired university lecturer and writer, left a very detailed will which stands as an example of the ‘problem’ faced by people who have sizeable estates, valuable possessions and no ‘natural’ heirs. Among the 24 beneficiaries Ngairie named, were the SPCA and the Cancer Society, each of whom received a bequest of \$18,000, and nine friends and relatives, seven of whom received bequests of \$8,000 each. One friend was bequeathed Ngairie’s house and another her car. The residual estate was left to Nurse Maude.²³ The arrangement left by Norah Skinner which involved all cash bequests, was similarly elaborate. Of 9 bequests of \$1,000, Norah left two to her sisters, one to a niece, three to her cousin’s children and three to friends. Her residual estate was then to be divided into 14 shares and apportioned out as follows: one share to a sister, seven shares to nieces and nephews, three shares to her cousin’s children and one share each to the Crippled Children’s Society, her local Methodist Church and the Christchurch branch of the Leprosy Trust Board. By comparison, Ellen Baker’s will seemed uncomplicated. Her estate was to be divided into four equal parts, one of which was to go to her sister, the three other parts to two nieces and a nephew. What the official records do not tell us however, and what complicates this will, was why Ellen chose this sister as a beneficiary, rather than one of her other three siblings, or why with eight nieces and nephews to choose from, she chose those three as the recipients of her bequests. The above examples show the precision with which testators apportioned shares of their estates. Laurel Carter’s will shows similar precision. Her will was divided among her step sister and three nieces, with her step sister receiving a quarter share, one niece a seven twentieth share, and the two other nieces one fifth each.

²³ In Chapter 7 I again discuss Ngairie Bates’ will in relation to the topic of special gifts.

The simplest of the wills left by the four male testators in this category was one in which the estate was divided into two equal parts, with one part intended for the testator's brother and the other to be shared equally between the brother's two children when they reached the age of 21. Another testator left a number of cash bequests: one of \$12,000 to his nephew, seven of \$6,000 each to his brother and six nieces and nephews, two of \$1,000 each to nieces, \$3,000 to the SPCA and \$500 to a friend. His residual estate was bequeathed to his sister. Another testator left \$35,000 to the local Hospital Board, \$12,500 to St John Ambulance and \$2,500 to Presbyterian Social Services. The residual estate was left to his niece, or if she predeceased him, her children.

The key feature these wills demonstrate is that having neither spouse nor children offers the testator a greater range of choice of heirs. At the same time, they also show the tendency of testators to choose heirs from among their closest living relatives. While friends were sometimes named as beneficiaries, this choice is still relatively rare, even for those testators who have the opportunity of exercising total testamentary freedom.

6.6.8 Transmission to Charity

In the study of inheritance the topic of bequests to charity is relatively neglected. For example Finch *et al.* (1996) claimed that only 9% of all testators in their study named a charity or other organisation among their choice of beneficiaries, but as their focus was on bequests to individuals and especially to family members, they did not further examine the question of charitable bequests.²⁴ Hamnett *et al.* (1991: 88) show that charities were the major beneficiaries in 3.3% of all estates (1.1% of male estates and 5.8% of female estates). Beyond supplying that data however, they too failed to provide any further information on this pattern of bequeathing. It is likely that the neglect of this topic lies in its relative unimportance compared with bequests to family, and as Peart (1994:

²⁴ Finch *et al.* did not imply here that a charity or charities were the major beneficiaries of 9% of wills, but rather could be one of many beneficiaries mentioned in what they termed a composite will.

216) notes, the current tendency of the judiciary is to protect the family of the deceased at the expense of charitable bequests.

My analysis, like that of Hamnett *et al.* also showed that only a small percentage of testators left their estates to charities as their major beneficiaries. Like their study too, I found that more females than males left their estates to charity, 6 as opposed to 2, and a greater percentage of female estates than male estates were left to charity, 3.7% compared with 1.6%. Numbers here are so small however, that valid inferences are problematic. The information I present in this section is therefore illustrative only. Three key characteristics differentiate this group of decedents from the overall sample. First, their average age at death was 86.5 years, considerably older than the average age at death for the entire sample. The two males were aged 81 and 88, and the ages of the females ranged from 81 to 93. Second, none of these decedents were married at time of death, two were single and the other six widows or widowers. Finally, all but one of these decedents was childless, but as might be expected, the children at 60 and 62 respectively, were themselves elderly.

As a set of wills, those in which the bulk of the estate was left to charity were among the most detailed and complicated of the wills I read. Of note is the diverse range of charities mentioned by this group of testators and the number and range of charities selected by individual testators. Three examples of women's wills and two of men's wills are presented as illustration.

Apart from leaving bequests to the value of \$4,000 to be divided among family, friends and a godson, Catherine Malone left her estate to the Roman Catholic church. She left \$700 to her local parish priest for the purposes of him:

... having masses said for the repose of my soul and the souls of my late brothers ... such masses to be said once weekly for the first twelve months after my decease and thereafter at regular intervals as the said Parish priest shall think proper.

Catherine then instructed that the remainder of her estate be divided into four parts. One was to go to the Mother Superior of the local convent to be used as she saw fit for the welfare of the sisters of that convent. A second quarter was to go to the Trust Board of a local Catholic home to be used for charitable purposes. A third portion was to go to the parish priest of her parish and be used for charitable purposes. The fourth part was directed to the parish priest of a larger parish nearby parish and again used for charitable purposes.

Daisy White was a woman who during her life had been strongly involved in a particular sport and its administration and for her efforts had been awarded an MBE. Apart from the \$6,000 she left to her goddaughter, the remainder of her estate was left in order to further advance the sport she had been involved in throughout her life. The residual estate was to be divided in half, setting up two funds, the interest from which was to be used, in the first instance to advance her sport, and in the second instance for the teaching of her sport. Daisy stipulated that none of the bequest was to be spent on competitive teams or travelling expenses.

Pearl Arnold left \$3,900 in bequests among a variety of people including her sister, nieces and nephews and god children. Small bequests were also made to Nurse Maude, the Royal Society for the Protection of Animals, the Community of the Sacred Name, the New Zealand Anglican Board of Missions, the Anglican Melanesian Mission, the Anglican Polynesian Mission, the Royal Overseas League, the Canterbury Aged People's Welfare Council, a local Anglican church and a private charitable trust. The residual estate went to the vicar and wardens of Pearl's church. Pearl did not tie up this bequest in a trust but requested "that the benefits ... be used on the Church Fabric Fund and care of the churchyard's cemetery".

I mentioned William Johns above as the father of two children. His will made no mention of the children but instead left \$500 to the SPCA and one third share of the residual estate each to the Intellectually Handicapped Children's Society, the Crippled Children's Society and the Arthritis Society. John McDonald's estate was left in varying portions to the Nurse Maude and District Nursing Association, the Cancer Society of New Zealand, the Royal New Zealand Foundation for the Blind, the Canterbury Branch of the RSPCA, the Salvation Army, Barnado's New Zealand, St John's and the Red Cross Society.

6.6.9 Parents As Beneficiaries

In the entire sample only two cases occurred in which property was transmitted to parents and only one covered by a will. This was the case of Duncan Davidson, a 63 year old unmarried retired clerk, who left his entire estate to his mother. The housing component of his estate comprised his share of a flat he and his mother Edith had owned for 16 years as tenants in common. The other incident of property transmitted to parents was that of an unmarried man in his 30s who died intestate and the property being passed to his parents as next of kin. The transmission of property to parents is obviously a rare occurrence and as these two cases show, is likely to happen only if the decedent has no spouse, partner or children.

6.7 Summary

This chapter has examined the patterns of bequests of 293 wills, all of which contain real property. I have argued here that the patterns reveal that inheritance is by and large a two stage process with the first stage entailing a lateral movement of property to a surviving spouse and the second stage involving a finally dissolving estate, a greater number of beneficiaries, and generally a flow of property to the next generation.

The bequeathing patterns found in this study show that inheritance is very much a family affair. A husband leaves his estate to his wife and vice versa, the

remaining parent leaves her estate to her children, an aunt leaves her estate to her favourite nieces and nephews and more rarely a brother leaves his to his siblings.

A small, but significant percentage of wills have conditions attached to them. While these conditions cover a variety of circumstances they often concern the limits set on the extent of control a widow can have over her deceased spouse's estate.

Property passed from parent to children is generally accomplished with due regard to the principle of equality. This principle is so strong that a significant proportion of the wills in which children did not receive equal shares offered, if not a reason, then a clue for this behaviour.

The principle of testamentary freedom is more obvious in the wills of those who have neither spouse nor children. The writers of these wills demonstrate a greater tendency to pick and choose from among their potential heirs, but also name a larger number and range of heirs than do testators with children. Yet the small proportion of testators with no spouse or children who leave their estates outside the family, to friends or charity for example, demonstrates the enduring connection between inheritance and family relationships.

There is a predictable quality to the bequeathing patterns presented in this chapter. The analysis indicates however, that this quality rests not so much on the attributes or characteristics of the individual testator, as the relational context in which the testator has lived her or his life. Being in an anomalous relational context offers a testator the opportunity for testamentary freedom that is not open to, or used by those who have close family.

Wills offer an opportunity to examine patterns of bequeathing behaviour that convey much information about the process of inheritance, the way in which close family are acknowledged and the components of property that are considered valuable. With its focus on testator and beneficiary characteristics and limited examination of the detailed contents of wills, this chapter has only hinted at the complexity of the interweaving of people and property that wills reveal, the symbolic dimensions to bequests and wills as gendered documents. These issues will be explored further in the following chapter.

WILLS (2): ‘DOING FAMILY’ AND OTHER CLOSE RELATIONSHIPS THROUGH SPECIAL GIFTS

7.1 Introduction

In the previous chapter I examined the bequeathing patterns revealed in the wills read as part of this study. The two most common patterns were for a testator to leave the bulk of an estate to either one person as in the case of a spouse or an only child, or to be divided equally among a number of people, as in the case of children, or nieces and nephews. It was common too for testators to leave the bulk of their estate to their spouse or children, but recognise other close relatives through a small cash bequest, as in the case of a man who left bequests of \$1,000 to each of his three children and the residue of his estate to his wife. In addition, a small percentage of testators left wills which had conditions attached to the use of a house. A number of testators also left bequests apart from cash and a house. Some of these were in the form of an encompassing category of ‘household and personal articles’. Typically these were left to close female relatives directly, or for them to distribute. A smaller proportion of testators however, mentioned specific articles of property to be left to chosen beneficiaries. These articles of property I have termed ‘special gifts’. This chapter is an attempt to explore in depth the phenomenon of special gifts. Drawing largely on the anthropological literature on gift giving, I argue that an analysis of special gifts left as bequests in wills, reveals much about the way people ‘do family’ and other intimate relationships. Special gifts therefore, provide a very clear illustration of the way people use material goods to make meaningful their connections with one another.

Shifting the focus to this element of inheritance acts as a counterbalance to the 'dominant preoccupation, at least in mainstream housing studies, with the measurement of monetary gains in home ownership' (Forrest and Murie, 1995c: 311) and hence the measurement of monetary transfers and gains in housing inheritance. It provides another point of departure from which inheritance can be studied and in so doing it opens up more complex ways of conceptualising the connections between people and material goods in specific cultural contexts, than are presently offered when the focus is limited to the issue of financial gain. By implication, a more subtle understanding of the complexities of inheritance in a general sense, can then be turned back towards the more specific issue of the connections between housing, inheritance and family, and so further enhance studies in this area.

I order my examination of special gifts as follows. In the next section I set out the neo-Maussian theoretical approach which has influenced my conceptualisation of special gifts. In so doing I draw largely on the work of Carrier (1991), who has extended and developed the theoretical ideas on gifts and gift relationships first put forward by the anthropologist Marcel Mauss (1969). The key elements of the gift and gift giving delineated in section 7.2 are: the obligatory nature of gift giving; the inalienable nature of gifts themselves; and the nature of the social relationships built up and reproduced through gift giving. In sections 7.3 to 7.5 I focus specifically on each of these elements in relation to inheritance as a special instance of gift giving. To support and illustrate the theoretical argument I use empirical material derived from my own study of the special gifts bequeathed in wills. This material forms the basis of section 7.6. In the final sections of this chapter I use original data to examine the contention that gift giving in wills is a gendered practice. I argue that the task of giving final gifts and all that entails, is undertaken primarily by women. 'Doing family' through the bequeathing of gifts in wills is the final act of cementing family bonds and family obligations to ensure the continuation of family through time. The final gifts given become symbols of these bonds. Because it is women who tend to 'perform the tasks implied by family, and maintain the links of family' (Cameron, 1990: 29) with both their own and their

partner's kin (Finch and Mason, 1993), it is also women who tend to give the final gifts and perform the family maintenance rituals that accompany the death of a family member. I am not suggesting that women are somehow essentially more suited to these tasks than men, but rather that it is women who work on negotiating family responsibilities, highlighting the point that a strong orientation to family is socially sanctioned for women more than for men (Finch and Mason, 1993).

Woven through the chapter therefore, is a focus on the interconnection between the economic nature of inheritance and the social nature of inheritance. This is explored through an analysis of the way material goods (as special gifts), and people in intimate relationships are inextricably bound together in the process of inheritance. Of importance here is the way that material goods as special gifts are ascribed with meanings, value and significance that set them apart from other goods and in turn, the way that their special quality defines their trajectory from person to person. Within this overall theme the following more specific questions are posed. Of the range of material goods owned by the testator, which goods are selected as special gifts to be mentioned in a will? What is it about the nature of these goods that leads to their selection? Who is selected as beneficiaries for such goods? Who is excluded?

7.2 The Gift Economy

A useful framework for the consideration of the economics of kinship, reciprocity and housing wealth is offered by Franklin (1995). The framework can be applied equally well to an examination of the relationship between family and inheritance. Franklin argues for the necessity of conceptualising 'the economy' as a number of distinct sub-economies and examining the articulation of housing wealth and kinship as an articulation of sub-economies. Drawing on Davis (1972), Franklin (1995: 236) identifies the existence of four differentiated sub-economies, each governed by different types of laws or rules, as the case may be:

1. the market economy, governed by laws of commercial trading, employment, labour relations and so on;
2. the redistributive economy governed by laws of taxation, and welfare and state expenditure;
3. the domestic economy, governed by family law, customs and expectations;
4. the gift economy, governed by rules of reciprocity, which includes all transactions of giving gifts and presents.

Although developed to describe the British economy, this typology is equally useful when conceptualising the place of inheritance in New Zealand economic life. Clearly inheritance falls largely outside both the market and redistributive sub-economies¹ as defined in the Davis model, but can readily be subsumed under the domestic sub-economy. As demonstrated in Chapter 6, the practice of inheritance in New Zealand is shaped largely by the legal constraints on testamentary freedom, which are underpinned by a set of social expectations and normative constraints associated with inheritance and the family. Among these are the expectation of equal treatment of children by parents, and the selection of close family members as beneficiaries. My analysis of bequeathing patterns showed that inheritance is largely a family affair, with spouses and children being the major beneficiaries. The same tendency for preference for close family members as beneficiaries was shown even by those who had neither spouse nor children. The only cases that fell outside the domestic economy were the 2.7% of testators who left the bulk of their inheritance to charity. The examination of bequeathing patterns therefore showed that inheritance issues are firmly placed within the domestic sub-economy.

With a slight shift in focus, inheritance matters can however, be subsumed just as readily under the gift sub-economy. In this chapter I explore this idea in greater depth, by examining the case of the special gifts mentioned in wills. To understand the workings of the gift sub-economy it is useful to look outside sociology and take advantage of the insights offered by anthropologists on this

¹ Some linkages can be made however, with inheritance and taxation law, particularly with respect to estate duty.

topic. The seminal work here is Mauss' *The Gift* (1969). Mauss' classic text is relevant in that it opens up a way to conceptualise gifts and gift giving, far removed from the taken for granted, everyday notions most people hold, or the widely held academic view that gifts are freely given and involve no expectation of compensation (Belk, 1979). Mauss' position is that gift giving only has the superficial appearance of voluntarism. It is in fact a means through which certain kinds of obligations are set up and fulfilled in ways which tightly bind together the giver and the recipient of the gift. A recognition of the relations of obligation, exchange and reciprocity that underpin gift giving provides the basis for arguing for at least the analytical distinction of a gift economy.²

The distinction of sub-economies fits well within a neo-Maussian approach. In fact Mauss himself differentiated between traditional and modern societies by drawing a distinction between types of economic exchange and their accompanying social relations. He viewed traditional societies as those dominated by kinship and group relations, and gift exchange, which set up binding and enduring obligations between donor and recipient. Mauss contrasted gift exchange with commodity exchange and associated the latter with industrial societies, a distinct division of labour, class relations and a market economy. For Mauss, commodity exchange lacked the sense of relational obligation found in gift exchange. It was a form of exchange carried out by self interested individuals, who have no enduring ties to one another. Not only did Mauss contrast the nature of the exchange process in the two societies, but he also differentiated between the nature of the goods exchanged. In gift societies the gift was associated with the identities of the donor and recipient, whereas in commodity exchange commodities are alienable, and defined in terms of their use and exchange values.

² The model set out above is no more than an ideal type which I use simply for its analytical utility. By demonstrating that inheritance straddles both the domestic and gift economies it is clear that I am not arguing that all economic activity fits perfectly into either one or other sub-type. As Weber (and so many others from a variety of traditions) has demonstrated to us so admirably, the social world is far too messy, complex and contingent to be captured neatly by any model however well constructed.

Some later writers have developed the Maussian approach to recognise that both gift and commodity exchange can exist together in the same society (Gregory, 1980, 1982; Carrier, 1991), thus undoing the tradition/modernity binary built into Mauss' work. It is this non-dichotomised position that I think offers a valuable way of conceptualising gifts, and inheritance as a gift. It is also a position that sits comfortably with two themes that run through this thesis:

(1) that of the breaking down of dichotomised positions, whether the dichotomisation has to do with methodological approaches as in the integration of qualitative and quantitative approaches, levels of analysis as in the integration of macro and micro, or in the integration of disciplinary positions, as in the weaving together of ideas and concepts from sociology, economics and anthropology and

(2) the critique of the depiction of economic behaviour and the nature of 'human nature' that underpins neo-classical economic theory. Here I draw together the neo-Maussian, anthropological ideas discussed above, with those in the writings of the economic sociologist Granovetter (1985) to put forward a more nuanced approach that focuses on the social context in which social action takes place and the embeddedness of actors within this context. By embedding actors within a social context and within concrete sets of social relations, Granovetter is able to put forward a position strongly critical of economic theorists who conceptualise economic behaviour as if it were abstracted out of any social context. Granovetter sees economic action as embedded in ongoing networks of personal relations and economic goals as normally being accompanied by such non-economic goals as sociability, approval, status and power. His work therefore blends the economic with the social rather than separating out these two elements of human existence.

In pursuing the issue of inheritance as a gift I will follow the approach of Carrier who adopts a neo-Maussian model of exchange which, he claims, 'entails a theory of people, objects, and social relations, and the ways they are made and remade, understood and reunderstood in everyday transactions'

(Carrier, 1991: 121).³ Here I take Carrier's point to mean that people are not simply, or always, the calculating, self interested individuals portrayed in the work of neo-classical economists, certain anthropologists and exchange theorists in sociology. Carrier recognises that while they are made that way in some economic transactions, they are also remade in other ways in other transactions. Nor are the objects exchanged inevitably neutral, impersonal, fungible and of economic value only as the alternative model would posit. Instead objects are made and understood that way in some forms of economic activity, but not in others. Similarly, relationships in contemporary society are not always impersonal. While they can be made and experienced that way in some forms of transactions, they are not in others. The key general point Carrier is making however, is that :

Social relationships, people, objects, and transactions form an interlocking whole. If we want to understand any of them we have to take cognizance of the ways that all of them are involved in creating and recreating each other (Carrier, 1991: 122).

Following Mauss, Carrier distinguishes the three elements of gift exchange as (1) the obligatory transfer of (2) inalienable objects or services between (3)

³ The Maussian and neo-Maussian positions on exchange operate as a strong alternative to the other classical approach to exchange in anthropology, that was exemplified in the work of Malinowski (1922). Malinowski drew strong parallels between economic activity in Trobriand villages and that in the modern society, observing that transactions differed in the two sorts of societies because of differing circumstances rather than mentalities. According to Farry (1986: 454) inherent in Malinowski's model of exchange transactions was a model of human beings as self interested and a model of exchange as operating between dyads and premised on some kind of balance. In *Crime and Custom* (1926) Malinowski directly criticised the position that people in traditional societies are best understood as embedded in the group and its culture. He writes:

The honourable citizen is bound to carry out his (sic) duties, though his submission is not due to any ... mysterious 'group sentiment', but to the detailed and elaborate working of a system ... [in which there] comes sooner or later an equivalent repayment or counter-service (Malinowski, 1926: 42).

Inherent in his argument is a view of social interaction in traditional life as similar to that portrayed in modern societies by classical and neo-classical economists. The view of exchange taking place between independent, calculating actors is echoed in the classic sociological works on exchange (Gouldner, 1960; Blau, 1964).

related and mutually obligated transactors (Carrier, 1991: 122).⁴ I now turn to an examination of each of these elements in relation to inheritance as a special instance of gift giving.

7.3 The Obligatory Character of Gift Exchange

Unlike commodity transactions, gift exchange is obligatory. People involved in gift relationships are obliged to repay a gift received and to give and receive gifts. Denying the obligatory character of gift relationships denies the nature of the social relationship with the other party in the transaction and thus violates normative beliefs about the ways certain categories of relationships are practised. An example here might be the upset caused by a spouse or partner who forgets an anniversary. The point being not forgetting the gift itself, but failing to mark the special relationship between the couple.⁵ Furthermore, the repayment, as in returning a gift, does not discharge the obligation as it would in a commodity exchange. Instead, it recreates the obligation by reaffirming the connectedness of the relationship. Hence, both gift and commodity exchanges are underpinned by a principle of obligation, but this principle is understood and practised differently in each form of exchange.

The literature on gift giving demonstrates that the obligation associated with gift giving varies in intensity according to circumstances. In general, a concern with the obligatory nature of giving and receiving is more intense within the family than outside it. In fact some gifts given outside the family, such as those given at Christmas to letter carriers and garbage collectors are accompanied by no expectation of a direct gift exchange, although this form of gift giving is part of an on-going service relationship. Carrier (1993: 58) terms these gifts *douceurs* and describes them as the sort of gifts that 'keep the wheels greased'.

⁴ Implicit in the distinction of these elements is a broader framework that can be used to understand all types of transactions: the degree and manner of obligation in transactions, the link between the objects exchanged and the people who exchange them, and the link between the people in the transaction.

⁵ Once the gift is given however, it can then become a symbol of the relationship and take on special qualities of its own.

The practice of tipping in restaurants and bars is an extreme example of gift giving with no expectation of either reciprocation or an on-going relationship.

Caplow's analysis of Christmas gift giving in Middletown demonstrates the delicately nuanced features of gift giving, focusing as it does on variations in the extent and nature of the obligation involved (Caplow, 1984). In over 90% of the cases Caplow reported on, gifts were given to mothers, fathers, spouses, children and children's spouses. The frequency of grandparent grandchild gift exchange was similarly obligatory if the parties lived in, or relatively near Middletown, but declined when relatives were more distant. For adults, gift giving to other relatives occurred in less than one third of cases. Yet even within close family relationships there were clear cut understandings as to the number and reciprocal value of gifts given and received. For example no concern was expressed for the highly unequal nature of the exchange of gifts between parents and young children, whereas effort went into ensuring that the value of the gifts exchanged between other adult relatives was approximately equal. Such behaviour highlights the point that it is often not possible to make a clear distinction between gifts and commodities. Gift transactions can contain elements of commodity exchange in the same way that commodity exchange can contain elements of mutual obligation.

Inheritance is a special instance of gift giving. It is special in that the obligation to return the gift does not apply. It cannot. It is broken by death. This is not to say however, that the bond produced by giving a gift of inheritance is removed. It is much more likely that the bond takes on another form. The special gifts left in wills are frequently referred to as remembrances, a terminology that indicates that the obligation associated with the special gifts of inheritance becomes converted into memories. Everyday language picks up this sentiment, when *inter vivos* gifts are defined by the donor as "something to remember me by". Implicit in the words is the idea that the act of giving and the gift itself will represent the bond between the two parties that carries on even after death.

The other side of the obligation to give is the expectation to receive. Inheritance is a family affair and family members often have a strong sense of what they think should be rightfully theirs as prospective inheritors, what they expect and what they think they deserve. Usually this sense is based on normative notions about the closeness of family relationships and/or a sense of reciprocity concerning past services rendered. It might be the case that the nature of familial obligation becomes altered or strengthened when people know long before the death of the giver, that they will inherit. The obligation to receive might, in turn, imply or even impose a further obligation to give. Thus a three generation, rather than a two generation model of gift giving is set up.

The expectation to receive is most clearly obvious when it is not fulfilled. The following excerpt from an interview with Norah Baker provides us with an example of this. Norah was one of five nieces and nephews who shared equally in the estate of her 90 year old aunt, Rosa Rhodes. Norah felt that it was good fortune that she was a beneficiary of her aunt's estate as she had expected it to be eroded by rest home charges. She firmly believed however, that she should have inherited her aunt's diamond ring. Rosa had promised this ring to Norah previously, but not long before she died Rosa changed her will and left the ring instead to the son of the man who had been her employer for most of her working life. Norah's expectation was premised not only on the aunt's previous promise, but also on the idea that she had "done a lot" for her aunt, and expected the ring in recognition of this service. As the interview shows, Norah's service to her aunt was not easily given. Norah describes her relationship with her aunt as follows:

Norah: Well she wouldn't be like my mother, but she was the closest thing to my mother. Yes, my husband will tell you we've been over there all hours of the night, windows fall out in funny old houses and she got locked out and we used to cart meals. And she would growl at me if I went to see her at seven o'clock at night, this was after she retired and I might get there at quarter past seven. Now I worked, I had a husband and two kids and I would arrive there with stuff for her but that didn't matter. It was time to go to sleep, why have you come at this time of night? ... Oh she wasn't

easy. On numerous times I've said that I'm not going back and cried on the way home, but because it's your duty, you know you do it don't you?

Ann: But did you like her despite that?

Norah: Oh yes, you couldn't help. Another day you'd go there and she'd be fine. I really think ... because she'd never had a man or any kids ... she was the most important thing in her life. Well I guess that's right isn't it? But she wasn't easy at times, but at other times she was delightful.

Ann: Did you know you were included in your aunt's will?

Norah: Yes, we always knew, she always said she would leave it to her nieces and nephews. But she had a beautiful diamond ring which she said she'd left to me. And six months before she died she changed her will and left it to Edmund [her employer's son] so you can see why I don't talk to him. And the thing is that I ... twice when she was in the home I could have had that ring, but suddenly she would tap me on the shoulder and she would say leave it there. Because I firmly believed that Edmund would come up and give it to me later, but no way, they took it. And when I think that over the years I sewed for his kids and I tell you what I don't want to ever see him again. Done it for peanuts and they have taken everything. And my cousin knew that she had changed her will because he went with her when she did it and he gave me, when she went in the home, he gave me a copy of her will in a sealed envelope and told me not to open it ... but my husband brought it home and opened it so I was over it before it all happened. ... And I said to my husband I'm going to open it, and he said you're not, you promised and I said well you could open it, you didn't promise and he said, I didn't think he would, but he did. ... And I could have, a hundred times I could have got her to sign another will and I could have had it back but I'm not a greedy person anyway, it doesn't worry me. I got over it before she died.

Ann: Was it a family ring?

Norah: No but she'd told my niece that she bought the ring at the same time as Dad bought my mother's engagement ring, which, but my mother's ring wouldn't be worth a quarter of her one. It was a beautiful solitaire ring.

You know I think when she fell out with me, she altered the will because she got annoyed with me because I didn't visit her. I mean she was right up, miles away ... Well it didn't matter that when I was busy and had lots of things here to do for my family that I tore over there and did meals, she forgot about all those sorts of things and my husband mowed her lawns. We did all sorts of things for her but she fell out with me when she went to the home because she hated it. She kept saying that my cousin and I had put her there and you know because I didn't go every day and it was way up north and I mean the times that I did, sometimes I got so wild with people in the home because they're not cheap ... And she had broken teeth and I used to go about every ten days. I'd been three times and the teeth were still broken and I asked them to get them fixed and I guess it probably wasn't their obligation any more than it was mine. So I decided that day I was going to get the teeth fixed because I couldn't bear it any longer so I went up there, got the teeth. I'd rung up a man nearby, he could do it that afternoon. I got a bloody speeding ticket of \$90 and I thought ... I was on a 70 limit and I was going 74 ... and I was in a 50 you see ... Well she paid for the teeth but I paid the fine. Should have charged it to her shouldn't I? Well I mean I was doing her a good turn I thought, I was really labouring there, I didn't want to do it anyway, I didn't think it was my place to be doing it anyway and I got a speeding ticket.

7.4 The Inalienable Nature of Objects Given as Gifts

The second element of Carrier's neo-Maussian model concerns the inalienable nature of gifts. Inalienability refers to a quality which prohibits transfer to another. This quality when applied to gifts means that, to a greater or lesser degree, gifts are seen as extensions of the giver or at least objects that retain elements of the giver's identity. Thus the gift can never completely become the property of the recipient. It is this quality that is crucial in the making and remaking of the relationship between the giver and the recipient, a process which is strengthened every time a recipient makes the association between the donor and the gift. If gifts are recognised as bearing at least elements of the giver's identity, then it makes understandable why, for example, the ribbon that tied the flowers given by a lover becomes a cherished possession, or once

treasured gifts given between spouses become objects of rejection when divorce occurs. The rejection of a gift also rejects the gift giver and the giver's relationship to the recipient. This point might also explain why so many of us have cupboards containing objects that we neither use nor display, but could not contemplate disposing of. While objectively the gift itself is not 'appreciated', the act of non-disposal 'appreciates' the donor and the relationship. The obligation to keep a gift is clearly understood.

From a neo-Maussian perspective, both the gift itself and the people involved in the giving and receiving of the gift are seen as being unique and inextricably linked. The uniqueness of the gift refers to its inherent relational quality of inalienability, not necessarily any physical features of the object itself. Thus it is the relationship between the object and the giver that is seen as crucial. Take for example the loss of an heirloom once given as a special gift in a will. However beautiful the heirloom might have been in its own right, the sense of loss largely represents the loss of the connection between the giver and recipient. Even if the heirloom were replaced by another exactly the same, the sense still remains that "it's not the same", because the object itself is not the same. It has not been through the same hands and does not have the same life history. The sense referred to is the distinction between alienability and inalienability, between a commodity and a gift seen as an extension of the giver.

The previous example illustrates the point well accepted in the anthropological literature that 'things' have a social life (Douglas and Isherwood, 1979; Appadurai, 1986; Kopytoff, 1986). This does not necessarily imply acceptance of an essentialist treatment of things (although some anthropologists do take that view), but is best summed up by the claim that, 'Goods are neutral, their uses are social (Douglas and Isherwood, 1979: 12). The point of this claim is that human beings need goods not only to meet their physical needs, but also to be able to make sense of their surroundings, and to make known their identities to others (Wuthnow, Hunter, Bergesen and Kurzweil, 1986: 116).

Not only do goods have a social life, but like human beings they also have a life history, that can be traced as they pass from person to person. The classic example of the social life of things and the trajectories they follow is Malinowski's description of the *kula* system of the Trobriand Islanders (Malinowski, 1922). The *kula* is a system for the exchange of certain kinds of valuable goods between 'men of property'. Two types of objects are exchanged: decorated necklaces and armshells. As these objects move from person to person and place to place, they also acquire their own life history. The term *keda* meaning path or track is used to describe the journey of these objects from island to island. But *keda* also refers to another path or track, that of the path to wealth, power and reputation for the men who handle these objects. Appadurai commenting on *keda* notes that it is a concept in which:

... the circulation of objects, the making of memories and reputations, and the pursuit of social distinction through strategies of partnership all come together. [There are] delicate and complex links between men (sic) and things that are central to the politics of the *keda* ... (Appadurai, 1986: 18).

Reflecting on the *kula* system of exchange a number of points can be made that are relevant to an analysis of inheritance. The *kula* example highlights clearly that material objects can have both an emotional and a material value. The special gifts passed on through inheritance also display both properties. The *kula* system also shows that ownership of certain goods can have a profound effect on people. Ownership of the necklaces and armbands exchanged in the *kula* system made the owner feel exhilarated, comforted and soothed (Malinowski, 1922: 512). While these same effects may not be produced when special gifts are inherited, there is no question that inheriting (or not inheriting) special gifts can have an enormous emotional impact on the person concerned. The example of the *kula* system also illustrates that objects can become thoroughly socialised. Many of the objects exchanged in the *kula* system were named, had a personality and a past. Some were even the subjects of legends. Special gifts are no less socialised than the *kula* objects. Like the *kula* objects, some of the gifts given in wills were given names like 'Aunty Edith's vase' or the

'Smith family silver', and my interviews show that stories about such objects are told in families time and time again.

The quality of inalienability is clearly illustrated when an action occurs that breaches this property. The following excerpt from an interview with a young woman Jenny, tells of her having to sell a china ornament of a cougar that her mother left specifically to her in her will. The act of selling the ornament made alienable something that 'should' have remained inalienable.

Ann: Did your mother have her possessions earmarked for you and your sisters?

Jenny: Yes, well she didn't have much in the way of valuable things. There was this cougar but I had to sell that, but never mind, gone now, a crystal basket and that was basically it and the rings. I mean there was a sapphire and diamond, amethyst and diamond and a diamond, you know, not big flash ones. but when she was rewriting the will she said to me you're going to have the cougar. As I said she kept saying to me I'll come back and haunt you if you give the cougar to Pam, because my sister Pam is a bit material in things you know and if she had come over and said to me, gee I like that cougar then being the type of person I would have said, oh all right you can take it you know. But no, Mum said that cougar stays in this house.

Ann: And how did you feel when you sold it?

Jenny: Oh, it broke my heart ... I mean

Ann: Well you must have really needed the money.

Jenny: Yes I did, it broke my heart. In fact I had to harden myself and not cry right in the middle of the shop, you know I had to wait until I got out into the car. I thought well it's gone now, I can't do anything about that ... well I got \$150 for it at the place I sold it to. He kept saying to me what's it worth and I said I've got no idea. I mean originally it was my grandmother's, but I'm not saying it's old, old old, but she had it and when

my grandmother died Mum got it. And um she left it to me. But I had nowhere else to get money from and it broke my heart.

7.5 The Nature of the Relationship Between Giver and Receiver

The third element of Carrier's neo-Maussian model of gift exchange turns on the idea that the two partners in the exchange are related in terms of their obligations to give, receive and repay gifts in certain ways. The traditional Maussian perspective on this point makes a direct comparison between the social relationships involved in gift exchange and those involved in commodity exchange. The argument is that in gift giving the parties are related and have mutual obligations, whereas in commodity exchange they are free and independent. Mauss' position is that gift givers and recipients are not individuals defined independently of their social relationships, but defined in certain ways because of their positions in a structure of social relationships. In commodity relations on the other hand, the transaction between buyer and seller makes no claim on the individual as a free and independent person. For example, the fact that an individual signs a hire purchase agreement with a firm does not mean that once the agreement is fulfilled and the goods paid off, either party has a right to make any further claim on the other.

A neo-Maussian perspective on the relationship between gift giver and receiver would not draw such a clear distinction between gift and commodity exchange. Rather the focus would be shifted away from the individuals involved or the form of exchange, and instead look at the way exchange relations tend to operate in different institutions. So gift relationships tend to take place within the family and commodity exchange in the market. They do not operate however, in a dichotomised fashion. Hence, Granovetter's argument that even exchange within markets becomes overlain with and/or is often driven by non-market relationships (Granovetter, 1985). A clear example of the interweaving of these relationships is the formal practice of gift giving that is an inherent part of the way business is done in many Eastern cultures.

The literature on gifts stresses the way in which gift giving maintains the closeness of the connection between the two parties through creating and recreating mutual obligations. In most contemporary societies these obligations are usually seen as involving kinship and family relations. A less static analysis however, would show how gift giving includes relationships between friends, which in turn can spill over into some work relationships and as noted in the previous paragraph, into the heart of business practices themselves.

Mention has already been made of the obligation to repay gifts. As inheritance is a special instance of gift giving, the repayment for the 'final gifts' given through inheritance is done differently. Although no material gift can be given in return the element of reciprocity does not diminish. Rather it changes its form and reciprocity is shown through the special treatment of these final gifts that recognises the connection between the living and the dead and recognises it particularly in terms of family. The following excerpt from the interview with Kate illustrates the lengths to which people go to ensure that the final gifts they give, not only get to the right person, but are also kept. It demonstrates too that the recipients recognise the obligation of receiving special gifts. Thus the strength of the connection between the living and the dead is maintained through the existence of material goods, even after the death of the gift giver. In this process the gifts become symbols of a lasting connection.

Ann: And did you get jewellery and that sort of thing?

Kate: Yes there was jewellery. Mum had just had a lot of jewellery altered, her family jewellery, like chains from fob watches and things. She had those and it was really strange too, because she'd had that done the year she died. She'd had them all made into chains and necklaces for her grandchildren, for five granddaughters and two grandsons and had them all valued, so that I, and she'd never shown anyone except me and so I knew they were there. So of course I had to distribute them out after she died. Um yes there was a lot of that, a lot of heirlooms and things that had been in the family.

Ann: Do you think these things are more important to women?

Kate: Possibly, but there's some males that would feel the way I do. But my brother's not one and yet it was really strange because he's in the throes of a divorce and has sold his place and is going from something like 11 acres to a postage stamp and he called me over the other day and he said, oh, you'd better have this because we won't want it and it was one of Mum and Dad's wedding presents. A brass fire guard. And I thought, well I've never really said, I never really thought about whether I wanted it or not, I'd just told him to take it because he was the one with the fire. But since then I've had one put in and now it's really useful. But, um, it was really strange that there are different things and we say oh well, we'd better not throw them away. For example my uncle that has died just last year had some dressmaking scissors. Now you'd die if you saw them. They're this long and they weigh a ton and my brother had them in some tools and he tipped all the tools out and he said now we've got to sort these out. What do we want, what don't we want? And for Christ sake don't throw those things out Katie. But they'd be no bloody good to me, but he told me I'd better take them home. And I can still hear my uncle saying don't you ever get rid of those. ...

This thing is like a great big gas lantern, it used to hang in my uncle's garage and was obviously from my mother and my uncle's house when they were little and that's an antique my uncle'd say and I'll haunt you for the rest of your lives if you ever get rid of that ... so it's things like that I've got. Well I just sort of said to the kids today I'd hate to move, I'd genuinely hate to move because there are things there that I think, well I'll never ever use but at the same time I haven't got the heart to throw them out.

Um, a prime example is Dad. He was in the army for 37 years and he retired from the army at a later age, not the early age they retire at now. And his uniforms that he used to have during the war and all that were in an army trunk. The army trunk is still sitting in my garage with all the things in it. And I don't have the heart to throw them out. But they're crying out for things for the museum in Waikouaiti and Dad spent a lot of time there. But the time has come for me to dispose of the trunk and the things that are in it, because I never look at them and you know perhaps other people should have the pleasure of looking at them and really appreciating what's there - like the water bottle that went through all

Cairo and all those places. I look at it and think, yes, you know, I would hate to do what they had to do in those days. And my son Peter said to me today, can we open it before you send it away Mum and have another look. I said, sure, not today, but yes sure. And if there's anything you want you can take it.

Ann: And the next thing you know the trunk and its contents will be in his bedroom (laughter).

Kate: Yes he is a bit of a hoarder and I'm a bit of a hoarder and Dad was a bit of a hoarder, so there's no wonder I suppose. But my brother and I differ. He doesn't hoard as much, but then sentimental value perhaps doesn't mean as much to him as what it does to me.

7.6 Special Gifts Left in a Sample of Wills

In my sample of wills 66 women testators and 29 male testators left special gifts in their wills. This represents just over 40% of all women testators and 22.5% of all male testators. Of these 16 women and 17 men mentioned general categories of gifts rather than specific items. This category is usually captured by a few stock phrases chosen by lawyers when they are assisting their clients in making wills. For example one woman testator bequeathed to her sister all her 'jewellery, trinkets, clothing and other articles of personal wear and adornment, furniture and furnishings' and a male testator left his wife his 'furniture and all other articles of household and personal use'. With this generalised category removed, 30.5% of women testators and 9.3% of male testators left special gifts. I cannot claim that the leaving of special gifts in wills is the only way this practice is accomplished. As already indicated, this is frequently done in an informal way through word of mouth or is simply understood in families. One female testator indicated that the bequeathing of special gifts was something understood between herself and her daughter when she bequeathed to her daughter in her will 'all articles of domestic and personal use or ornament to distribute according to my wishes'. My concern here however, is to examine issues around the itemised special gifts left in wills, not the general categories.

The data from the wills in my sample indicate that the leaving of special gifts is a gendered phenomenon. For example, women testators in my sample were more than three times as likely as their male counterparts to leave special gifts. In addition, women testators generally leave more special gifts than men do, and they choose a greater number of beneficiaries. On average, the women testators in the sample left special gifts to 3.5 beneficiaries, whereas men testators left special gifts to 2.1 beneficiaries.

Table 7.1 shows the frequency with which female and male testators left specific categories of special gifts. The table shows for example that 26 of the female testators who left special gifts included in their bequests at least one item of jewellery (excluding rings). Many left more than one piece of jewellery, but my concern here is with categories of goods, rather than the number of items within each category.

My evidence has shown that women leave special gifts in their wills more often and to a greater number of beneficiaries than men. Anecdotal evidence suggests that even if no special gifts are included in a will, it is far more common for women than men to have made their wishes known regarding who should receive special gifts after their death. As noted previously it is common for women to leave lists of special bequests, and anecdotes abound concerning the labelling of china, ornaments and suchlike with the names of the intended beneficiary. It is difficult to comment definitively on men's practices of leaving special gifts as part of an inheritance, except to say that it appears to be relatively uncommon.

The data in Table 7.1 on the types of property left demonstrates that women and men leave different types of special gifts. For example the most common types of property left by women were jewellery and rings. Of the women's wills that contained special gifts, 52% mentioned at least one piece of jewellery as a special bequest, 50% mentioned at least one ring and 44% mentioned household goods such as china, glassware, cutlery etc. None of the 12 male testators mentioned any gifts in these categories. The most common of the special gifts

Table 7.1: Number of Willmakers Leaving Types of Special Gifts

Type of Special Gifts	Sex of Willmaker	
	Female	Male
Jewellery (excluding rings)	26	
Rings	25	
China, glass, cutlery, ornaments, candlesticks etc.	22	
Furniture, lamps, rugs etc.	15	2
Paintings and pictures	10	1
Cars	9	2
Whiteware, appliances, tv/radio/video	6	1
Furs	4	
Clothing	4	
Books	3	
Tools	3	1
Photographs	2	1
Gem and shell collections	2	
Lawnmowers	2	
Slide Projectors and screens	1	
Binoculars	1	
Horses	1	3
Clocks	1	2
Pianos	1	1
Medals	1	
Linen	1	
Sports equipment		3
Horse equipment including harnesses and horse floats		2
Guns		2
Stamp collections		1

mentioned by men were horses and sports equipment, with 25% of the testators in this group mentioning these two types of gifts. The next most frequently mentioned type of gift came into the categories of furniture, cars, clocks, horse equipment and guns.

Historical analyses of wills have shown that the giving of special gifts is done differently by women and men. Women used goods to signify their intense emotional involvement with personal effects, household goods and clothing. Men's involvement in such practices was much less intense than women's and in the past, when men did make reference to goods it was largely restricted to horses and guns (Vickery, 1993; Whitbread, 1988). A perusal of Table 7.1 might suggest that, with the inclusion of sports equipment (although arguably horses and guns themselves might be defined as sports equipment), such a comment would be as pertinent of men's gifting practices today as it was in the 1700s.

A perusal of the categories of special goods in Table 7.1 indicates that the goods mentioned individually tend to be of significant economic value. For example the most common single object mentioned was diamond rings. Brooches, earrings, necklaces and other items of jewellery were also mentioned frequently as were items of furniture, paintings and pictures. Although I have no way of estimating the value of any item singled out for special treatment it is fair to say that items mentioned in Table 7.1 such as cars, horses, caravans, pianos, farm equipment etc. if sold, could realise a significant amount of cash. Yet it would appear that the choice of special gifts is not dictated solely by the monetary value of the gift. It can be assumed that many testators would have owned cars of far greater value than the diamond rings mentioned, yet only 9 female and 2 male testators mentioned cars specifically. It is also probable that new or good quality whiteware, appliances and television and video equipment are as valuable as many of the pieces of jewellery gifted, but again these items were seldom mentioned individually. Similarly, no single mention was made in wills of small household appliances such as vacuum cleaners or food processors

which, in purely monetary terms, might be more valuable than many of the individual items of jewellery mentioned.

In addition to special gifts being of a certain monetary value, there was also a tendency for decorative and aesthetically attractive goods to be selected above purely utilitarian goods. To illustrate, it can be pointed out that no testator gave as a special gift any form of bedding like blankets, duvets, mattresses or wool underlays, all useful and necessary items in any household and when of good quality also relatively expensive. However, at least six testators mentioned candlesticks, which in this age are almost purely non-utilitarian.

I cannot claim that the gifts left in the wills in my study were truly representative of all special gifts bequeathed, as an unknown proportion of this type of gift giving is accomplished through practices other than the formal giving within wills. As noted previously, some gift giving is done via a prepared list. Alternatively donors make their wishes known while they are still alive. This is what Kate has done.

Kate: Everything, whatever is mine is to be split three ways. I've got a notebook at home, it sounds crazy because I had an aunt, this aunt that died, and she had an aunt who was a great aunt of mine. Dear old Aunty Rose. And you'd pick up every vase or ornament or painting and there'd be a wee piece of paper with the person's name on it. But basically because she had no children of her own. But I've got lots of different things that I've got that have come to me via members of the family that are suited for different ones of the children. So I've often said to the kids, well you know if anything ever happens to me you've got that. It's a bit like wedding presents. I think I've got something like seven tea sets. Now what would my two girls do with seven tea sets. It's utterly ridiculous. So I said to the kids and I've also said to my sister-in-law and my nieces that you know, there are five tea sets at my house. I said you three nieces will get one each. If anything happens to me you'll get one but it's up to my two girls to decide which one you'll get. But you'll get something and they laughed. And then Jane my niece said to me, and she's a bloody dag, what are we meant to do with the bloody china cups and saucers. I said have a tea party

and don't forget the cucumber sandwiches. And I said just think of me watching you and laughing. And we treat it as a joke. But I mean later on in life ... I can look at my girlfriend's mother. She died and she always used to say to us whenever I went there, she had a crystal sugar bowl and I'd say to her who's the sugar bowl for? And she'd say you know Trish wants that sugar bowl. And I'd say you haven't put her name on the bottom of it yet. It was a joke and when she died we wrapped up this sugar bowl and there was her daughter there and me and another close friend and we were in fits of laughter and all of a sudden there was a deathly silence in the lounge and I said to my girlfriend you know your mother's watching us and she's laughing herself. And we couldn't help but laugh because it was all about this crystal sugar bowl and different things that we were picking out of her china cabinet that she'd told us about. But I just tell the kids that you know there are certain things for certain people and don't forget girls there's a notebook floating around the house somewhere with who's getting what in it.

In other families the decedent's property is not dealt with through a will or a list but more informally. The following interview excerpt illustrates this process. Of relevance in this situation is the way that the sense of being a close family comes through and is accomplished through the ritual of 'sorting out' the property after a death. What is particularly noteworthy here is that this sense of family was accomplished within a potentially divisive context, in which the testator had left his estate divided into unequal shares, with his sons receiving shares worth twice the value of his daughters' shares.

Ann: And did you get anything apart from money in the inheritance?

Elaine: I got my mother's engagement ring.

Ann: Did you get that before your father died?

Elaine: Yes

Ann: And did you receive anything apart from the money after your father died?

Elaine: No, we went down and sorted it out, but they didn't have that sort of stuff.

I mean they had a furnished house and all the rest of it, but they weren't the sort of people who had a lot of goodies and things ... I mean ... we went down and had a wonderful day. The whole nine of us went and the different in-laws and out-laws dropped us there. They left the nine of us at the house. We laughed and we cried and my young brothers had Dad's bowling gear on and nobody fought which was wonderful. Everyone who wanted anything took it and we had a wonderful day. It was about a month after Dad died. It was just ... it was lovely. We've got photos. Mum and Dad used to line us up with the first one ... and I used to be the tallest one and now it goes ... like you know. And every time we get together we still do this and one of my brothers shouted out, "Gee this line's longer than it used to be". We've all got fatter. But we still do it you know and we took photos that day of the line. It was really nice, it was a nice day. You know it was fun, we enjoyed it. But we just sorted out what was what. Mum had given away a lot of the stuff before she died so she'd trimmed it down and I think my brother and his wife probably sorted the last bits out and I think probably a lot of it went to neighbours and organisations and the church. But we took what we wanted.

7.7 Women and Special Gifts

In this section I present examples of women's wills in which special gifts have been left. I have attempted to select a range of wills, from those which were very detailed and included a large number of special gifts to those which selected only a few. Similarly I have selected a range in terms of the value of the gifts given. It is clear that the first two wills presented, those of Hazel Height and Ngairie Bates, are wills of women of substance. This is obvious not only in the number of gifts selected, but also in the nature and quality of these goods. The enormous detail in these wills indicates that great care was taken over the planning and preparation of these wills. Yet wills in which a more modest range of gifts were bequeathed also show the same care. There is care taken to equalise the value of gifts among children and care taken in choosing the appropriate gift for the appropriate recipient.

Both Hazel Height and Ngairie Bates were women who left a number of valuable gifts to a range of family and friends. Both left houses whose values were in the top 10% of values in my study and both left relatively large cash bequests across a wide range of inheritors. Neither woman had been married and neither had children, both factors which in women at least appear to broaden the range of beneficiaries available.⁶ These two wills are similar too in that the women overwhelmingly chose other women to inherit their possessions. Of the 20 beneficiaries of the special gifts left by Hazel Height, only 4 were men. Similarly, of the 14 recipients of Ngairie Bates' special gifts, only one was male, a cousin to whom she gifted a tapestry chair on which the family coat of arms was worked. Of note too is the fact that little mention was made in either of these wills of domestic appliances. Following are lists of the special gifts left in the wills of these two women.

The Last Will and Testament of Hazel Height

- To my friend [A] my car and agate stone collection
- To my niece [B] my gold muff chain and dining room suite
- To my niece [C] my small antique tapestry chair and any table lamps she may choose
- To my sister [D] a double string of pearls, a diamond eternity ring, all my ruby glass ornaments, a Royal Doulton dinner set, all my bedroom furniture and cane chairs.
- To my sister [E] a gold velvet couch and bow shaped bedroom cabinet
- To my brother [F] a carved chest
- To my niece [G] my three diamond stud earrings, a string of pearls and one long silver chain
- To my nephew [H] a mahogany chest, the choice of any two paintings in the lounge, my corner cabinet and all the pieces therein
- To my niece [I] a solitaire diamond ring, a single string of pearls and one long silver chain

⁶ From the interviews I held with single men it appeared that choosing appropriate beneficiaries was something of a problem for them. For men who were only children the problem was even more pronounced. An explanation for this problem goes back to the notion that women 'do family' and that inheritance is family business. For men with no real family few 'strategies of heirship' seem to be available. See for example the interview with Craig Hall in the Appendix.

- To my niece [J] a baguette diamond ring, an 80 pt. rectangular diamond pendant, the picture of girls in blue dresses hanging above the bed in my bedroom, my video recorder and television set, green velvet couch and rocking chair
- To my niece J's husband [L] two antique green chairs
- To my god daughter [M] an antique round bedroom table
- To the wife of my godson [N] a single string of cultured pearls
- To [O], the daughter of my friend a single string of cultured pearls and a Sowntell painting
- To [P] the oval walnut table in the lounge and the walnut card table in the hall
- To [Q], the daughter of my friend and sister of [O] the painting in my bedroom "First Night at the Opera", two prints in my bedroom, the book case in the dining room and all my books
- To my friend [R] a large petite point picture
- To [Q] and her fiancé as a wedding present an eight piece gold plated cutlery set with eight matching goblets and serviette rings and two heavy brass candlesticks.
- To my friend [R] my tall golden rose vase
- To my nieces [G], [I], [B] and [J] one each of four Persian rugs
- To my brother [F] a brass standard lamp, two occasional tables, an oblong side table and a panel oil heater.
- To my friend [S] the silhouette picture in a black frame
- To my friend [T] the carved based occasional table in the lounge

The Last Will and Testament of Ngairie Bates

- To my cousin [A] a pink quartz necklace
- To my friend [B] a Victorian sewing table, antique writing desk, marble topped bedside table, Scotch chest, tapestry footstool, Victorian chair, four dressing table bottles, horn handled walking stick and my carved altar table
- To my god daughter [C] a carved jade pendant on a silver chain and a gold fob watch
- To my friend [D] a seven diamond cluster ring, a diamond and sapphire ring and a Russian squirrel fur coat

- To my cousin [E] a string of 66 pearls and matching earrings and three gold mounted diamond rings
- To my friend [F] a diamond ring, a ruby ring, a sapphire and diamond Sunburst ring, a nine stone amethyst ring, my electronic Pfaff typewriter, my sewing cabinet and overlocker.
- To my friend [G] my china, glass and crystal, a green porcelain table lamp, my camphor chest and its contents, a sapphire mink fur stole and two elephant tables
- To my adopted granddaughter [H] a string of large white cultured pearls and matching earrings and the set of a diamond pendant necklace and matching earrings
- To my cousin [I] my blue baroque pearls and matching earrings, a silver locket and bow chain, and a short string of white cultured pearls and matching earrings
- To my friend [J] the oak canteen of plated cutlery, a brass wall plaque, two lamps (the carved Chinese man and the Indian lotus), an Indian carved table set, two small tables and a Seiko wrist watch
- To my cousin [K] a tapestry covered armchair with the Bates coat of arms
- To [L] the oil painting of Mount Aspiring, the oak book case and my 'Mignon' marble bust
- To [M] my motor car
- To [N] a cloisonné jewel box

Analysis of the data from wills suggested that having children operates to restrict special gifting practices. In most instances women with children left their special gifts only to their children, although on occasion they left a remembrance to a relative or friend of the same generation or to a grandchild. Three tendencies in gift giving practices were evident in the wills of women with children. The first tendency was for women to favour daughters when giving special gifts. I believe that, in large part this favouritism is connected to the gendered nature of the gifts chosen as special bequests. In effect they gave women's property to women. The second tendency was a concern for the equal treatment of all children. The third tendency for women was to give gifts along

gendered lines, giving 'women's property' to women and 'men's property' to men.

Eileen Hawkins' will demonstrated the tendency to give women's property to women. Eileen's residual estate was left equally to her two children but her china cabinet and china were singled out as a special bequest for her daughter. No special bequest was made to her son. Gwen Simpson's will was a mix of two of the tendencies mentioned above: the giving of property along gendered lines, and a concern for equality of treatment. Gwen did leave her son special gifts but they were different in kind from the gifts she left her two daughters and although the gifts she left her daughters demonstrated a concern for even treatment, this was not extended to her son. To her elder daughter Gwen gifted a nineteenth century painting and expressed the wish that the painting stay in the family, a Noritake dinner set, an emerald and diamond ring and a cameo brooc¹. This daughter was also left a model of Queen Elizabeth II's coronation gown and train to dispose of as she thought fit. To her younger daughter Gwen also gifted a painting, described as being a 'modernistic painting of one square inch of galvanising'. The same daughter also received an antique kidney shaped occasional table, a big softee chair, a colour television, a collection of china cups, saucers and plates, a collection of Fabergé eggs, all the family photographs,⁷ a nine diamond ring and all her mother's greenstone jewellery. She was also left her mother's books and floral art containers. By contrast, Gwen's son received her remaining occasional tables and a rose china tea set.

Olive McDougall and Carrie Graham, both bypassed their only children and chose to give their special gifts to granddaughters. Olive McDougall, a widow with one son, a granddaughter and grandson left her residual estate to her son, but gave the special gift of her china cabinet and the china ware and cups and saucers 'customarily kept in such cabinet' to her granddaughter. Carrie Graham bypassed her only daughter and her grandson and left her only granddaughter

⁷ It is interesting that the family photographs were willed to one daughter rather than being shared among all the children. Such an action might indicate that donors have a sense of which of their relatives is the most appropriate to be the 'repository of family knowledge'. In fact such gifting might set up an obligation for the recipient to take on this role.

her diamond and emerald brooch, a double string of pearls and an emerald and diamond ring. Both these wills demonstrated the tendency of giving women's property to women.

Mona George's will is a very good example of a deliberate attempt at equalising the special gifts left to her children. Her daughter was gifted a crystal salad bowl and spoons, a crystal sweet dish on a short stem, a round crystal jam dish, a willow pattern dinner set, a teak elephant and two diamond rings. She left her son a small crystal salad bowl on legs, a crystal sauce bottle, a sweet dish on a tall stem, a silver tea service and tray, a brass Buddha and her cameo and eternity rings. Each gift her daughter received could be matched perfectly with one for her son. It is clear from the objects listed however, that it is women's property that is being gifted, not men's property.

The gifting strategy shown in Mollie Woods' will demonstrated the third tendency delineated above. The gifts chosen were to a large extent gendered, with women's property going to women and men's property to men. Mollie left her engagement ring to her niece, her 'Black Boy' ornament to one sister and 'Aunty Alex's' vase to another sister. To the son of one of her friends she left her silver and crystal trophy and to the son of another friend she gifted her Crown Derby tea set. She left a horse named Sweet Pea to the same two men as tenants in common with equal shares. Noeline Cornwall's will showed similar features. Noeline was survived by her husband and three children, two daughters and one son. Noeline left her husband her household articles and car and her share of a house as long as he remained unmarried. To her elder daughter Noeline left her pearls, pearl earrings, her platinum wedding ring and the diamond ring that had belonged to her sister. Her younger daughter was gifted two diamond rings and her son a chiming clock and a greenstone ring. Her two daughters were to share an afternoon tea set and the rest of her jewellery and personal effects, and all three children were to share equally in her Wedgwood china. Alma Davidson's will also demonstrated the feature of gendered property. A widow with two children, Alma left her residual estate to be shared equally between them. As special gifts she left her daughter her jewellery and articles of personal

adornment and her son her car. She also left her sister an ornament and painting of her choice and to two of her nieces an ornament of their choice.

Dorothy Sutherland was the only female testator whose special gifts fell outside the three delineated tendencies in that the gifts she chose consisted entirely of household appliances. Dorothy left her daughter and son-in-law her washing machine, clothes drier and sewing machine and her son her deep freezer.

7.8 Men and Special Gifts

None of the men's wills read for this study showed anything like the same detail exhibited in the wills of either Hazel Height or Ngairie Bates (or a number of other women testators whose wills I did not mention). They did however support my contention that, in general, women and men take as meaningful different forms of property, a factor which shapes the ways in which they leave special gifts.

Just as women tended to choose women's property to leave as a final gift, so too did men tend to leave men's property. They also tended to choose male recipients over female recipients. Thus while Douglas Mason divided his residual estate equally among two daughters and a son and gave his daughters small cash bequests and his household and personal goods, he left his sports equipment to his son. Retired farmer Colin Carruthers left farm machinery to his two sons. The elder was left 2 tractors. The younger a variety of tractors, a grain dryer, a plough, welding tools, shearing machinery, grinders and other farm machinery. In addition, the younger son was also left an aerial photograph of the farm and a chiming clock. Colin's only daughter was not forgotten in the will, but left a piano, a gift of quite a different type from those left to the sons. George Carlaw left his residual estate to be divided evenly among his six children. Singled out for special mention however, was his interest in a trotting mare which he left to his eldest son and his remaining trotting horses which he left to his grandson. The harnesses and other horse gear he owned was also divided between the same two recipients. Arnie Bruce was a 90 year old retired

foreman and widower. His residual estate was to be equally divided among his two sons and four daughters. The material goods he singled out as worthy of mentioning were cars, carpentry, engineering, gardening and trade tools to his eldest son, bowling balls to his son-in-law, rotary hoes to one grandson and benches to another grandson. No mention was made of special bequests to his four daughters.

In all the above examples male gifts were given to males. The following example demonstrates that males can also choose to gift male property to females. Jim Lambert had three children, all of whom were daughters and he left them the gifts he deemed special. One was left a shotgun, the second a colt pistol and the third a powder flask and her father's bound books.

7.9 Summary

In this chapter I moved away from issues pertaining to the financial gains from inheritance and focused instead on the special gifts people leave in wills. From a neo-Maussian perspective I argued that the framework developed to understand the phenomenon of gift giving is equally applicable to an understanding of one of the practices of inheritance: the leaving of special gifts.

The theory of special gifts I put forward recognised the connections between people, objects and social relations and the ways these connections are constantly being constructed and reconstructed, understood and reunderstood, through the passing on of special gifts. The three key elements of this theory are that gift giving is obligatory in nature; that the gifts given have a quality of inalienability; and that the two partners in a gift giving exchange are related in terms of their obligations to give gifts, to receive gifts and repay gifts in certain ways. The material drawn from anthropological texts has illustrated that general features of gift giving can be extended to help develop a more complex understanding of this practice as it operates currently. It has also demonstrated that the practice must be examined within specific cultural contexts.

Inheritance is a special instance of gift giving, in that the obligation to return a gift no longer applies. This does not imply however, that the bond cemented through a gift relationship is broken at death. In fact the circumstances in which special gifts are made, if not enhance the bond, then at least ensure that the obligation remains because of the very fact that the gift cannot be repaid.⁸ The special gift itself, takes on an even deeper symbolic dimension in these circumstances.

The empirical data presented on special gifts shows very clearly that the giving of these gifts is a gendered practice. Women give special gifts more often than men and they tend to give them to a greater range of recipients. The type of goods given by women and men also differs to the extent that it can be argued that by and large, women leave women's property as special gifts in wills and men leave men's property.

While both women and men leave gifts that are considered valuable, it is clear that monetary value is not the only, or even the most obvious quality of the special gifts left in wills. Special gifts also embody a symbolic dimension. Hence the propensity for women to leave diamond rings and pieces of jewellery that symbolise their marriage relationship or the connection between generations of women. In a sense special gifts demarcate boundaries within families indicating not only who is included and who is excluded, but also the gender dimension to family relationships. I have argued that the practice of special gifts shows clearly that it is women more than men who 'do family'. In other words it is women who construct and maintain on-going family relationships. The examination of special goods is an illustration of this practice.

⁸ Here I acknowledge the insight provided by Geoff Fougere into the connection between obligation and the fact that death inhibits the repayment of a gift by a like gift. Fougere noted that the ultimate version of this inhibition of repayment, obvious in western culture at least, is Christian communion in which the tangible 'gift' of bread and wine is transubstantiated within the communion taker into the blood and body of Christ, at the same time as the communicant is exhorted to take and eat in remembrance of me Christ. This act, like that of the process of inheritance, implies an obligation that can never be repaid. This 'sacred' dimension of inheritance is taken up in the following chapter.

Finally, this chapter is underpinned by two important themes that run through this thesis. The first concerns the breaking down of unnecessary antinomies in the way we think and find out about the social world. In this chapter I have tried to weave together sociological and anthropological theoretical concerns. I have also attempted to draw on material from both disciplines to look critically at views which characterise in a dichotomised fashion the traditional and the modern worlds. The second theme is my concern to break away from the narrow economic view of human behaviour and activity that dominates much of our current thought. An examination of special gifts is one way of showing that human beings do not always act in the manner that neo-classical economists would have and provides a strong critique of economic positions.

SPECIAL MONIES

8.1 Introduction

Earlier chapters focused on the debate over housing wealth inheritance and social stratification. Key contributors to the debate, Saunders (1990) and Hamnett *et al.* (1991) have both treated the issue of the use of inheritance of housing or housing wealth as unproblematic. They have suggested that typically when intergenerational transmissions occur, the house bequeathed is sold and once debts are paid and the money thus realised is appropriately divided it is then invested in building societies or retirement plans, used to pay off a mortgage, update a house or car, or for other consumption purposes. Much conjecture has occurred regarding the impact of inherited housing money on the financial institutions that might deal with it.

The aim of this chapter is to question this relatively unproblematic treatment of inheritance money, cut through its taken for granted nature and open up the issue of inherited money to a different kind of analysis. The starting point for my task is the concept of 'special monies' as developed in the work of Viviana Zelizer (Zelizer, 1988; 1989; 1993). Zelizer's concept of special monies proposes a model of money which draws attention to its social basis and highlights the process through which money is shaped by values and sentiments. Acceptance of the concept would see inheritance money as one category among many categories of special monies. Others might include salaries, wages, bribes, honoraria, pin money or lottery winnings. Specific characteristics of special monies according to Zelizer are that they belong only to certain categories of people such as women's 'pin money' or men's 'beer money', they hold different meanings according to the type of special money they represent as in inheritance money, they are earmarked for specific

purposes such as a retirement fund or 'rainy day' money, and are allocated and controlled in specific ways.

The following example of household money helps establish the concept of special monies. In many households money is gendered, in that the money earned by male and female partners in paid work is treated differently. Often it is the male's money that is used for the constant costs of mortgage or rent, utilities, insurance and food while the female's money is used for what might be described as 'non-essentials' like gifts, household appliances and furniture, women and children's clothing and extras for the children like music and dance lessons, sports and treats. The example points to the feature of special monies highlighted in Zelizer's analysis: their non-neutrality. Money is not simply an undifferentiated commodity, but a series of currencies imbued with socially constructed meanings.

Recognising that people attach different meanings to money and use different kinds of monies in different ways provides a basis from which to critique the dominant utilitarian understanding of money that underpins neo-classical economic explanations for economic behaviour. It is also a radical departure from the mainstream sociological treatment of money which has generally accepted the same utilitarian perspective. Within the neo-classical economic paradigm economic behaviour is explained in terms of '*homo economicus*', or the self-interested, rational individual whose economic behaviour is minimally (if at all) affected by social relations (Granovetter, 1985: 481). Such a position views money as nothing more than a medium of economic exchange, or an expression of pure economic value: money is neutral, impersonal and fungible. The concept special monies brings into question all such assumptions and offers a set of analytical tools that opens up issues of money to other interpretations.

In the same way that Zelizer shows that different categories of money have different meanings attached to them and thus are understood and used differently, I could argue that inheritance money is a form of special money and thus is treated and used in special and circumscribed ways. My interview data

however, has led me to question what I see as this essentialist underpinning to the concept adopted by Zelizer. Although many of the people I interviewed referred to the importance of not ‘frittering away’ their inheritances and clearly would have disapproved of such an action, there was no agreed upon, essentialist meaning given to inheritance money. Instead, the meanings of inheritance money ranged from inheritance as a ‘sacred trust’ to inheritance as a ‘lucky windfall’. Rather than denying the utility of Zelizer’s concept of special monies however, it is more valuable to reframe and expand upon her ideas, while keeping intact her profound critique of the treatment of money in mainstream sociology and economics. A more useful approach, and the one I shall follow in this chapter, is an acceptance of the notion that all money is special, all money has meanings attached to it. But the important question that follows does not involve discerning the essential qualities and characteristics of each category of special money, but rather developing further the insights afforded by the concept in order to explore how particular understandings of special monies are embedded in social contexts and are shaped by networks of contextualised social relations. In the case of inheritance money then, the issue is not so much that this kind of money has in itself essentially different qualities from wages or lottery winnings for example, but that understandings of inheritance money are framed in the context of ongoing family relationships and offer the recipient of inheritance ways of defining both these relationships and themselves vis-à-vis these relationships.

The extension of Zelizer’s concept results in two important outcomes. First, it can deepen our comprehension of the nature of the closest and most enduring of interpersonal relationships: those between spouses, between parents and children and between siblings for example, and the way these relationships continue even after death. Second, the approach I have adopted can show how understanding the meanings attached to inheritance money can shed light on some of the key issues that concern contemporary sociologists, particularly issues to do with the nature of self and the construction and expression of identity. I shall argue that the meanings people attach to inheritance are fundamental to the way they construct themselves as particular kinds of people:

people bonded together through kin and other relationships, or indifferent to these connections; people who see themselves as responsible and deserving with every right to benefit from an inheritance and who might see others as undeserving; or as people who simply care little about the issue.

This chapter is ordered as follows. In the next section I offer a review of the treatment of money in the work of such mainstream sociologists as Marx, Simmel, Weber and Giddens who have taken money as a particular focus in some of their work. Section 8.3 uses Zelizer's work to abstract out from the review the market model of money that underpins the interpretations observed in the work of these theorists and mainstream economists. Zelizer's concept of special monies is examined in some detail in Section 8.4 which also offers my critique and extension of her model. Section 8.5 incorporates interview material to support my position that the concept of special monies is a useful analytical framework which can go some way in aiding the understandings of inheritance issues, but that its essentialist underpinnings are problematic and can be discarded. Having done that, the concept itself can be opened up and extended and the focus shifted away from the essentialist character of special monies to the social relations which provide the context in which the meanings of special monies are embedded. It is intended that the work in this chapter complement the discussion of 'special gifts' offered in Chapter 7.

8.2 The Treatment of Money in Sociology

The claim made by Collins (1979: 190) that sociologists have tended to ignore the question of money 'as if it were not sociological enough', is somewhat overdrawn. Money is central to the explanations for the development of modernity posited by the classical sociologists Marx, Weber and Simmel and no less a figure in contemporary sociology than Anthony Giddens has commented that 'the nature of money has been widely discussed in sociology' (Giddens, 1990: 22). Clearly there is little agreement as to the extent of recognition that sociology has given to the question of money. There is however, a widespread though implicit acceptance among sociologists when they come to write about

money, of the same utilitarian premises that underpin neo-classical economists' treatment of money. Weber's analysis of money typifies the approach. For Weber, a money economy was one of the pre-conditions for the development of rational, economic markets and money itself the perfect means through which rational, economic calculation could be performed. Money was described by Weber as 'the most abstract and 'impersonal' element that exists in human life' (Weber, 1971: 331).

Similar lines of thought are evident in the work of other classical sociologists. In keeping with their focus on the impersonality of social relations in modernity, both Marx and Simmel also picked up on the impersonal nature of money in the modern world. For Marx it is this characteristic that gives money an unusual power, the capacity to take on a pure form, unqualified by any distinctive properties (Marx, 1964). That is, money has no other meaning attached to it but that of money. As a consequence it has the power to transform the nature of economic organisation. Unlike other commodities which have a use value and an exchange value, money, the 'god among commodities' (Marx, 1973: 211) exhibits no such distinction. Money has only an exchange value and as such is the 'ultimate objectifier' able to turn all objects into commodities to be bought and sold (Marx, 1973: 222). Recognition of the essentialist nature of money led Marx to describe this quality money possessed as a 'morally dangerous alchemy' and one which not even the 'bones of saints ... are ... able to withstand' (Marx, 1984: 105). For Marx, money had the power to change not only the nature of goods and services but also the power to debase and subvert all personal relations. Marx asserted that money corrupted the human qualities people were capable of achieving in unalienated circumstances, changing all social relationships into calculative, instrumental ties. He observed that the power was so profound that it could change the nature of reality itself. His position is well expressed in the passage from *The Manifesto of the Communist Party* which refers to 'the motley feudal ties' of feudalism being 'pitilessly torn asunder' through capitalism leaving 'no other nexus' on which to base human relations but 'naked self-interest, [and] callous 'cash payment'' (Marx and Engels, 1948: 46).

Simmel also noted the transformatory characteristic of money when he observed that money reduced the world to an 'arithmetic problem'. Living in a money culture allowed for the development of a cynical, blasé and matter of fact attitude among people which was accompanied by a capacity to objectify social relationships. He wrote that:

Money is concerned only with what is common to all: it asks for the exchange value, it reduces all quality and individuality to the question: How much? (Simmel, 1950: 412)

Thus Simmel saw money as a means of exchange totally indifferent to things personal. Unlike Marx however, Simmel observed the emancipatory character of money, in that money had the capacity to allow people to break from traditional bonds and freely choose how, and with whom, economic exchange would take place (Simmel, 1978).

A similar notion of the ability of money to depersonalise social relations is expanded upon by Giddens in *The Consequences of Modernity* (1990: 24). Giddens portrays money as a 'symbolic token'¹ and as such is an example of a 'disembedding mechanism' associated with modernity. By this Giddens indicates that money has the power to disembed or 'lift out' social relations from local contexts of interaction and restructure them across 'indefinite spans of time-space'. Money is defined as 'a means of bracketing time and so lifting transactions out of particular milieux of exchange ... money is a means of time-space distancing' (Giddens 1990: 21).²

¹ Giddens defines symbolic tokens as 'media of interchange' which can be passed around without regard to the specific characteristics of individuals or groups that handle them at any particular juncture. Money is one example of a symbolic token (Giddens 1990: 22).

² See also Turner (1992) for a useful discussion of the sociology of money in Simmel's work which draws out the similarities of approach regarding money in the work of Simmel, Marx, Weber and Lukács demonstrating the common theme in the work of these scholars of money as alienation and rationalisation.

8.3 The Market Model of Money

The predominant interpretation of money in sociology is observed in the work of theorists as disparate as Marx, Weber, Simmel and Giddens. What they share is an acceptance of the notion that money, once it enters into the realm of personal relationships, has the power to transform them. According to Zelizer (1989: 346-347) the centrality of this interpretation in both sociology and economics has 'absolutized' the market model of money: that is, it has made the market model of money the one and only accepted model. Following Zelizer, the assumptions underpinning this model are as follows:

1. The functions and characteristics of money are defined strictly in economic terms. Money is the purest expression of economic value. It has no qualities or values apart from its exchange value.
2. All monies are the same in modern society. There are no distinctions between money. Money is an all purpose commodity: 'money is money'.
3. A sharp dichotomy exists between monetary and non-monetary values. Unlike traditional societies where money is imbued with personal, social and sacred values, modern money is perceived as impersonal, utilitarian and profane.
4. Monetary concerns are seen as constantly enlarging, quantifying and often corrupting all areas of life. Money has the power to draw an increasing number of goods and services into the market. Thus it has the power to commodify all aspects of the social world, even those considered most private and personal.
5. The power of money to transform social relationships and cultural values is unquestioned, while the reciprocal transformation of money by social relationships or cultural values is either ignored or explicitly rejected.

8.4 The Concept of 'Special Monies'

The concept of 'special monies' is best developed in the work of Viviana Zelizer (1988; 1989; 1993) and can provide the basis for a thorough going critique of the market model of money set out in the previous section. As used by Zelizer³ the concept seeks to encapsulate the notion that money is not the neutral, homogeneous entity commonly accepted in neo-classical economics and much sociological theory. By dint of the social meanings attached to it, money takes on a heterogeneous and differentiated quality. It has been shown that both classical and contemporary sociologists have implicitly operated within the tradition/modernity dichotomy when it comes to money and while accepting that in traditional societies money is imbued with values and sentiments, have argued that in modern capitalist societies, characterised as they are by rationality and impersonality, this no longer holds. The widespread sociological view is that modern money (like the market itself), is depicted as free from the constraints of former times. It appears this position is maintained because, like most economists, sociologists too have accepted unquestioningly the neo-classical, utilitarian approach to money. Like the utilitarian model of the market itself as a neutral entity, the dominant sociological interpretation of money is one in which money is portrayed as morally and socially neutral, free from cultural and social constraints and nothing more than a material representation through which market exchanges take place. To question this model by developing the concept of special monies, questions not only the representation of money as a neutral entity, but also fundamental tenets of both sociology and economics.

The anthropological literature provides support for the notion of 'special monies' through the insights it offers into money's symbolic meaning. Anthropologists have noted that in many traditional communities money is invested with special qualities and values independent of quantity. In addition, multiple currencies can coexist, with each currency having a special, restricted

³ Other theorists too have noted the existence of different kinds of money, their uses and social functions. See for example Polanyi (1957) and his notion of 'special purpose money' and Douglas (1967) who referred to special monies as a type of primitive coupon system.

use. For example, certain kinds of money might be appropriate for buying food, but not a wife, other money kept solely for funeral or marriage gifts, for payment of damages or insults, for burial with the dead or for magical rites (Zelizer, 1993: 199). Money too can be differentiated according to the age, gender or status of its user. Anthropologists have commented widely on the gendered nature of money. For example, in Yap, one of the Caroline Islands, women's money is the common mussel shell which women wear strung around their necks, while men's money is more 'desirable' large stones (Zelizer, 1989: 342). A more contemporary example of gendered money is the domestic money of married women at the turn of the century in the United States. Various referred to as 'pin money', 'egg money', 'butter money', 'spending money' or 'pocket money', (but seldom wages or salary), such money was a form of special money, earmarked as a different form of currency from other household money, obtained in special ways and used for designated purposes (Zelizer 1993: 201).

Mainstream economists and sociologists influenced by the utilitarian approach to money would argue however, that the nature of modern money is very different from the nature of money in traditional societies. In modern societies the economic sphere is separate and differentiated from other aspects of the social world and within this sphere money is the means through which economic transactions are carried out. No longer is economic activity shaped by the social and kinship obligations of times past, but by the rational calculations of individual gain. The challenge to this position arrived at from an analysis of the meanings attached to inheritance money is based on a very different model of money. This second model of money depicts money as being shaped by social and kinship attachments no less now than in the past and thus challenges the implicit tradition/modernity dichotomy in which mainstream theorists tend to work.

To add further support to the concept of special monies and thus strengthen the challenge to the purely economic definition of modern money, it is useful to introduce the concept of mental accounting. This concept, which refers to the

practices of individuals in distinguishing between different kinds of money, was developed by economic psychologists to explain consumer behaviour (Kahneman and Tversky, 1982; Thaler, 1985). The following examples from Thaler (1985: 199) exemplify the concept.

1. Mr. and Mrs. L and Mr. and Mrs. H went on a fishing trip in the northwest and caught some salmon. They packed the fish and sent it home on an airline, but the fish were lost in transit. They received \$300 from the airline. The couples take the money, go out to dinner and spend \$225. They had never spent that much at a restaurant before.
2. Mr. and Mrs. J have saved \$15,000 toward their dream vacation home. They hope to buy the home in five years. The money earns 10% in a money market account. They just bought a new car for \$11,000, which they financed with a three-year car loan at 15%.

In neither example do the people involved act in a manner consistent with the model of the economic behaviour of 'homo economicus' or, to use the terminology of the critical economist Sen, the 'rational fool' (Sen, 1977). In the first example the money from the airline is treated as a windfall and used (some might say frittered away) on a luxury. The second example demonstrates the way different monies are kept separated. Here one currency, savings for a dream holiday home, has a very high value attached to it, to the extent that significant economic costs were incurred in order to keep that currency intact and separated off from any other money the couple might have. Such behaviour challenges the model of calculative, rational economic behaviour. The mental accounting alluded to in examples such as these is an everyday practice. While economic psychologists have provided a useful sensitising concept in mental accounting, it is still too limited and individualistic to be satisfying for this analysis. One purpose of this chapter then is to develop a sociological underpinning to the concept of mental accounting. The handling, use and treatment of different monies is more than just a matter of differentiation,

weighing up the gains and losses and/or the playing out of individual whims, but nor is it as rigid or essentialist as Zelizer would have.

Zelizer's alternative treatment of money challenges the mainstream utilitarian approach outlined earlier. While accepting the notion that economic phenomena can alter social relationships and cultural values, the alternative model Zelizer offers also recognises that the influence is reciprocal, that social relationships and cultural values are powerful means through which money itself is transformed. Intrinsic to the alternative approach is a challenge to the notion of 'money is money'. Money, she argues, is not a single, uniform entity as the utilitarian approach posits, but is itself imbued with symbolic meanings.

The alternative model of money Zelizer puts forward is underpinned by the following assumptions (Zelizer, 1989: 351):

1. Money exists not only within the market but also outside it, where it is shaped by cultural and social factors.
2. Money is not simply money. Instead there are any number of special monies. Each special money is shaped by a particular set of cultural and social factors and is distinct from other special monies.
3. There is no single general purpose type money. Money is a complex entity which exhibits both market and non-market characteristics.
4. Money is not an entity outside of or beyond the influence of emotions. Under certain circumstances money may be as unexchangeable as the most personal or unique object.
5. Money has neither the neutrality nor the power that the utilitarian model suggests. Culture and social structure control and restrict the extent to which money transforms all social relationships. Factors outside of pure,

economic, rationality systematically constrain and shape the meanings attached to money. In particular:

- a) special money is earmarked for certain uses
- b) special monies have designated handlers
- c) special monies have specialised systems of allocation
- d) special monies are controlled in specified ways
- e) the use of special monies is linked to specified sources.

In large part I agree with Zelizer's definition of special monies and fully endorse points 1, 3 and 4 of her model. Points 2 and 5 I take issue with however. I agree with the fundamental notion Zelizer puts forward that there is no single, general purpose type money, that our understandings of money can be shaped by cultural factors, social factors and emotions and that there are any number of special monies that can be identified. Obviously too, the distinct character of inheritance money is recognised through the special systems of allocation and control that accompanies it. As discussed in previous chapters inheritance is allocated and controlled through a complex system of wills and probate with special legal provisions made to cover the circumstance of intestacy and rules regarding the grounds on which a will can be challenged. In addition, special monies are dealt with by designated handlers which in the case of inheritance include the executors of a will, lawyers and other legal professionals involved in the system of allocation and control, as well as the designated beneficiaries.

What is problematic however, is Zelizer's contention that each special money is distinct from other special monies. As I will demonstrate through the interview material presented in the next section of this chapter, inheritance money, which could certainly be termed a special money, is neither understood, shared nor used by all inheritors in ways that separate it out from other types of monies. While there might be some understandings of inheritance money that are more widely shared than others, it is important to recognise that the meanings attached to inheritance money are far more variable than might be explained if Zelizer's model of special monies were to be accepted uncritically.

8.5 Inheritance as a Special Money?

The Duke of Westminster is reputed to be Britain's richest person. His enormous income which is derived largely from a vast property empire, was estimated in 1992 at £3,000 an hour. The Duke inherited his vast wealth but intimates that had he been given a choice he would rather not have been born wealthy. The attitude expressed by the Duke towards his wealth is worth noting. He says, 'I never think of giving it up. I can't sell. It doesn't belong to me.' In effect the Duke sees himself not as the owner of his fortune, but merely its guardian, overseeing it for the next generation (The Christchurch Press, 1992).

From perusal of this brief newspaper article it would appear that the Duke of Westminster's understandings of his inheritance would fit well into Zelizer's model. Clearly he has given his money a value apart from its simple economic value. The fact that the Duke has closely linked his money with family lineage has shaped and constrained the manner in which he views his fortune. In much the same way as some of the respondents in this study, the Duke attends to his inheritance carefully, not liking to 'fritter' it away and so, as the newspaper article related, resorts to such everyday practices as switching off lights to save pennies.

The above example has begun to tease out some features of inheritance as a special money. In a more systematic and expanded schema the example would fit Zelizer's concept of 'special money' because it displays the following features. Its source is 'special', therefore it is differentiated from money which comes from other sources and it is specially earmarked for future generations. His comment that the inheritance doesn't belong to him but that he is merely the guardian of it for the next generation, demonstrates the sentiments he attaches to it, reflecting his awareness of the importance of lineage, its continuation and his position in the lineage. There is a strong sense that the inheritance is in the Duke's trust. This representation of inheritance as lineage and the construction of identity as part of that lineage is far removed from the essentialist notion of money depicted in mainstream economics and sociology.

The value of the wealth inherited by the Duke of Westminster and the value of the wealth he will leave to his progeny is naturally of a different order from the more modest bequests received by the people I interviewed for this study, but I use this vignette as an example that closely fits Zelizer's model of special monies. An interrogation of my interview data however, demonstrates that there is not always such a neat fit between people's understandings and treatments of inherited money and Zelizer's model of special monies.

The interview data presented below emphasises how meanings are embedded in networks of social relations. These meanings however, are variable and need to be understood not only within the broader context of the norms associated with inheritance, but also with the individual circumstances of those involved in the inheritance process. In particular I wish to stress that the meanings associated with the special money of inheritance might revolve around lines of family connections, as they did in the example of the Duke of Westminster, but might also have to do with disconnection and just as the emotions surrounding inheritance might involve love and caring, they might also be associated with anger, hurt, pain or indifference. The flows of inheritance trace and make tangible these lines of connection and disconnection and as they do they are accompanied by multiple stories about their meanings. It is the understanding of the nature of the interpersonal bonds rather than the nature of inheritance as a special money that now becomes the focus of analysis, as it is the nature of these bonds that can be the defining feature in terms of the meanings people attach to an inheritance the ways they then use it. Following are excerpts from interviews with inheritors selected to cover a range of meanings attached to special monies.⁴

8.5.1 Inheritance as a Sacred Trust

Craig is a tradesman aged in his early thirties. He is an only child. His mother died in 1980 and on the death of his father in 1989 Craig inherited the very modest family home in which he had grown up, the chattels, furnishings and

⁴ Transcripts and analyses of a sample of the interviews are included in Appendix A.

household goods contained in the house and \$15,000 in cash. He is unmarried but has developed a relationship with a woman in a town approximately 150 kilometres away from the city where he lives. Craig had bought a house in that town before his father's death and said that while he works in the city he spends most weekends at his house in the small town. Unlike most other inheritors Craig did not sell the family home he was bequeathed. When Craig spoke about his parents his comments left little doubt that he was unable to contemplate his inheritance of the house and money in any sense as separate from the lives of his parents and his emotional connection to them.

Craig: My mother died in 1980 and she didn't have a will, so I guess, and she didn't have, she'd been a housewife all her life and worked in various part-time jobs where she earned very little and Dad had always worked at the same company for 30 odd years and they had very little money really. You know when my father died all he had was the house and around \$15,000 in cash. ...

(...)

That money that Dad had, I mean it was both my parents money and that is, I mean they'd spent their whole life getting there ... they weren't wealthy people so you know ...

(...)

It was quite strange. I've looked through photographs and things like that and just realising how, I mean I can look at photographs and actually just see when he was 25, 35 and 45 and now he's dead and so life's really quite short. And then you look around and see what people accumulate in that short time, it's just what they work for and what they have and he was quite happy to give me a good upbringing and I mean I was really well looked after. I was probably spoilt rotten but we didn't have a lot of money to do outrageous things but he was quite happy to plod along through life and when he died I had to look back over his whole life and think well this is what's left and it's quite sacred you know. I just didn't want that money. I just sort of spent it on the house because it would

enhance the value and probably if I didn't do that then I probably would have bought something and I would have felt guilty about it.

In Craig's case the association between the house, the memories of his parents and his contemplation of their lives was such that he was unable to consider using the cash he inherited for any purpose other than repairing the house. Furthermore, his ties to the house were so binding that he felt unable to sell it until he had renovated it to a standard he felt his mother would have liked had she been alive. The intense attachment to the house and the financial, emotional and time investment in renovation has to be seen alongside Craig's desire to sell the inherited house, leave the city and establish a more permanent relationship with his 'girlfriend'. At the same time Craig conveyed the impression that finishing and selling the house was tantamount to completing a chapter of his life and without a proper completion the next chapter could not be entered into. It appeared that for Craig the final step was ensuring that the house was fully carpeted. It was almost as though this had to be done as a tribute to his mother's memory.

Craig: Well the impact it had was that I was determined to spend the cash that Dad had left on repairing the house, repairing this house because this has been my home all my life, this is the only home I've ever known. So my mother always wanted things done and my father, I mean they never had a lot of money coming in so my father would always say, oh you know we'll let it go and let it go and ah I spent that money first on the outside fixing it and then on the inside. ... I spent \$16,000. I knocked a couple of walls out and I painted, the whole house badly needed painting because he hadn't painted it for ten years and I mean I'd have probably been living here for five or six years of that and hadn't done anything myself because I was always busy out doing other things. And when he died I really started to turn around and put a lot of time into repairing the house because I suddenly realised I didn't want to sell it the way it was. I preferred to put that money into fixing the house and instead of just blowing it on like a vehicle or something that would have no value in the end. So I spent all his money on getting the house to this stage.

Ann: And it looks as though it's up to the stage now when you've just got the decorating to do

Craig: Fixing the carpet, yes

Ann: So all the structural and hard work's been done?

Craig: Yes I just didn't want to turn around and just sell the house and say that's it.

Ann: Are you going to sell the house now?

Craig: I may do yes, but it's going to be very hard to. But the thing is that this other house that I bought six years ago is really, when I bought that house I started doing it up because I think, I really, he wouldn't let me do anything here you see because he would always say, oh well I'm retired and you're busy working and you want to have your weekends free so I'll get a'round to it, I'll get around to it. And you know he never really did because he was never that way inclined anyway and he never had the money to pay for it.

(...)

Craig: My mother always said I'll never see carpet in this place you know because it was quite a big thing to get the whole thing, all this carpet everywhere and, I mean having the house and getting the mortgage paid off was the important thing. See Mum never worked really much, not till her later years and then she kept the money and bought things, but she bought things for the house, but she also spent money on herself ... My girlfriend keeps saying to me when are you going to come and live down here, not so much live with her but probably that's the next step, and I keep thinking to myself, I said I want to finish this place a bit more you know I keep putting it off, but I think probably I want to put the carpet down (laughter). I mean I probably could have sold the place four years ago and if I invested the money for four years I probably would have ended up with the same as what I would now if I poured another \$30,000 into it ...

Ann: So are you going to paper and put the carpet down and then sell it?

Craig: Yes, I think maybe it'll feel right to. Strange but maybe that's what, I think perhaps that's what I'm going to do.

Craig had little trouble differentiating between types of money. As a way of tapping into the concept of special monies I posed to my respondents an alternative scenario question, most often phrased in terms of asking the respondent how they would have used the money if they had won a similar amount in Lotto. Some respondents answered they would probably have done the same thing with the money but Craig clearly differentiated between the two monies on the grounds that his inheritance represented the lives of his parents. Almost reflecting the sentiment of the Duke of Westminster, Craig also stated that he did not regard the money as his.

Craig: Well definitely if I'd won a lottery or something it would've been different. I would've felt guilty if I, that money, I mean they spent all their lives working for that and that was all they had, so I felt um, that I would put it back into this house for some reason, you know. In those first two or three years you have really, looking back now, I probably didn't know what I was doing sometimes you know, it was just sort of went ahead because I wasn't really, in my case you see I was, I didn't know how much to spend and that but I just carried on and somehow I just, you know it all went, and I have probably and as soon as that I stopped spending money so, because I didn't class it as my money, you see ...

Fay is a married woman in her late 40's. She and her husband Noel have two adult children with whom they have little contact. Like Craig, Fay was an only child and inherited her mother's entire estate, which after funeral expenses were accounted for consisted primarily of the house Fay was brought up in which is located on the section in front of Fay's present home. The inherited house is now rented out. Fay attached great significance to this house and often invoked her mother's words of advice on what she should do with it. Neither house was in good order. To the outside observer Fay's house was somewhat neglected and dirty and the rented house was also in a state of some disrepair.

Given that both houses were located in a suburban area where land values are relatively high and some of the houses built on the land decades ago are being demolished and replaced by up-market town houses, the rational economic decision might have been to follow the same pattern. However, Fay did not want to sell the houses for the very reason that she believed that they would be demolished and because the houses were so much part of her life and identity did not want that to happen. On the other hand, she said she would have liked to have been able to develop town houses herself on the two sites, but recognised she had neither the financial capital, nor the expertise to do so. In the meantime she lived in quite squalid conditions, despite owning land and housing of sufficient value that, had she sold them, she would have realised enough capital to buy a more than adequate suburban house and so upgrade her living circumstances. Like Craig, Fay too connected the house and the wealth it represented with her parents and her own family life and her reluctance to sell the houses seemed to reflect her fear that such an action would be breaking the family connection. Fay talked about her early years living on the property.

Fay: When we first came here it was dirt track, dirt footpaths and it was all farms

Ann: And did your parents build the house at the front?

Fay: Yes and in the meantime we lived in an old house for eight years with no conveniences, hot or cold water.

Ann: When did you build your own house then?

Fay: My mother gave me this section and we lived with Mum for three years. Yes we moved into here in November 1969 and Noel came into a little bit of money and we sort of got a loan and put a house on it. Um we haven't done a hell of a lot to the place in that time, you know. We haven't really sort of, it could have had a lot more done to it I suppose than what we've done, but I mean it's um not flash, it's just an everyday living home as far as I'm concerned (laugh)

Ann: It's all facing the right way for the sun ...

Fay: Yes, that's why my husband doesn't want to move, I wanted to go to Mum's house and sell this.

Ann: And when your mother died you inherited her house and all the furniture?

Fay: Well the furniture ... I let the house, I let the house for students but I left it empty for months before I did anything

Ann: Why was that?

Fay: Because I couldn't bring myself to do anything with it (laugh), sentimental reasons I suppose ... took a long time when my Mum went, for me to come to terms with it. Mum and I were so close you know. We went everywhere together and I mean when I got my kids, my kids are both adopted ... we actually got Lisa when we were still with Mum. And of course she had to share Mum's room ...

Ann: So you can really say your roots are here

Fay: Yes that's what I'm saying. That's why I don't want to move. I don't know. I've been told, you know, I mean they tell me I'm sitting on multi-million, you know, sitting on a gold mine and I'd like to ...

Ann: Why what would happen if you sold these places?

Fay: Well I'm frightened that somebody would come along and bulldoze them down and put townhouses on them.

Ann: Would they put four townhouses on here?

Fay: We reckon you could get six, but four comfortably anyway, and a good area ... You see somebody said to me, why don't you get out and live and have a nice home and live and I think oh yes, it's all right, perhaps I do and then I think no. I don't know what's going to happen. My husband Noel knows I don't want to shift.

Ann: And does Noel want to?

Fay: He doesn't really want to. He would like, we would like to be able to do something with the property, like in other words put townhouses on it and have one ourselves out of it and sell the rest and make something out of it, is what I'd like to do, but you see my mother told me not so very long before she died, Fay my advice to you is never sell my property.

Ann: And why do you think she said that?

Fay: She said if you're going to do anything sell your own and then you've still got the biggest section out of the whole lot, that you can do something with. And of course that's embedded in my mind (laugh). It's there you know. And I feel very strongly and everyone says oh Fay, get out, get out, I've been offered \$125,000 and \$115 for Mum's and of course I know what'll happen, they'll bulldoze the house. ... And you know we're struggling and that's what makes me think oh will I sell it and get out. Um but no I'll sit for a wee while longer and sit for a bit longer. I'm not ready to go, not to shift. I don't know. If anything happened to Noel, well I don't know what I'd do. I might sell it, then again I might move into Mum's house and sell this, but you see somebody told me you'd better do your own house up and sell that, but you could sell your mother's place and three townhouses could go across and then I thought blow that. I'm not going to be shut in behind three townhouses in front of me ... and that's what would happen.

Ann: Does Noel give you advice on this?

Fay: No he doesn't you know. Oh he has said that he would like it to be developed and he knows that my roots are here and you know he would like, he says one day when we are ready, but in the meantime we'll rent it. We're happy. This guy wants it for twelve months ... I put it through [a company] and that, but I even advertised and all last year. It cost me quite a lot of money to advertise you know put adds in and everything, but nothing sort of come of it you know and some said they didn't think it was good enough you know.

For both Craig and Fay a strong emotional connection to their deceased parents still exists. This connection is played out through the way they treat their inheritances. The strength of the connection operates in such a way that it constrains them from making choices they might otherwise have made and acts as almost a barrier for them to continue on with their lives apart from their parents. These two cases provide examples of inheritance as a sacred trust.

8.5.2 *Inheritance as a 'Lucky Windfall'*

Andrew is 51, married with four children, two of whom still live at home. He and his wife own a home located in an established, high priced area of the city. On his mother's death Andrew inherited \$50,000 which he used primarily to help set up a new business. At the time of the interview there was a possibility that Andrew might inherit more money that was still tied up in a farm trust, but Andrew claimed that he did not care at all whether he did or did not inherit any of this money. Unlike Craig, Andrew claimed he felt no emotional attachment to his inheritance and viewed it as nothing more than a windfall. He recognised that his attitude towards inheritance was unusual but explained it in terms of both the lack of closeness in his relationships with his parents and the intense conflict that characterised family relationships in the well-to-do farming family he grew up in. The conflict began when Andrew's father was involved in a serious car accident caused by Andrew's grandfather's best friend. Andrew's father took the man to court and was 'almost disowned' by Andrew's grandfather as a consequence. The accident had serious health repercussions for Andrew's father who had to give up farm work. It was also accompanied by personality changes that led to Andrew's father becoming a near recluse. Andrew's uncle then ran the farm. According to Andrew his side of the family should have inherited a considerable sum of money which instead went to Andrew's uncle's side of the family. At an early age Andrew was sent away to boarding school, an experience which he disliked intensely. He described his years at boarding school as very unhappy and explained that his feelings of estrangement from his parents began at that time. The lack of closeness to his parents meant he felt little sentimental attachment to either them or their possessions. He explains it as follows.

Andrew: I know why I felt that way is because I spent all those years away from my parents, until they were both nearly dead. And that's why. I don't feel cold about it, but I just don't have any particular feelings one way or the other about anything they were going to leave because I was never close to the land, I was never close to them. I was at boarding school from the age of seven. It's a terrible place to be. I hated it. I used to cry all the time and all I wanted to do was be home so I used to break the law and do all sorts of dreadful things. ... And my sisters both, one of them since she was five. I thought my parents were bloody odd when they did that. I thought it was pretty odd behaviour to send us ... but I mean traumatic. Hell I used to hate it, especially when I got to secondary school. So I'm sure that's why I feel that I've got the rather cavalier attitude that I've got. The whole business of inheritance of the farm or whatever, as far as I'm concerned, it just doesn't exist. If someone leaves me some money from it or if I get something out of the trust at the end, well it's just another windfall.

It could be argued that Andrew's treatment of his inherited money as a windfall is a means of not stressing positive familial connections as in Craig's case, but of denying the connection and stressing instead the alienation and disconnection he felt from his birth family. During the interview I asked Andrew whether he would have felt the same way about a lottery win as he did about his inheritance. His unhesitating reply was as follows:

Andrew: Yes that's exactly how I regard it, as a lottery grant from the lottery board. Maybe that's because I ... my sisters both felt that it was almost blood money, it was there because things happened, and if it hadn't been there the thing in its place would have been land which would have been a lot more permanent, a lot more tangible and so the money upset them to a certain extent and they just frittered it away.

Ann: So you didn't treat it in any special way?

Andrew: No I didn't go and buy a gilt picture of my parents or anything, you know, porcelain. We actually used it to buy, to get another business ... part

of it in the house and that. It was very nice but I certainly wouldn't have thought anything different about it if they hadn't left me a cent.

Andrew's lack of concern with lineage was consistent with his attitudes towards lineage and inheritance as expressed in relation to his own children.

Andrew: It certainly goes against everything that I hold dear. Di and I will spend every cent we've got, but I mean although I got an inheritance from my parents, we would have got to where we are without that anyway. That was just a comfort zone for us for a couple of years ... I don't personally feel an obligation. No family name, having a son to carry on the family name or having inheritance that can be passed through, or a family home or property, that's totally meaningless to me. You know I've got three sons so the Freeman family name is going to carry on for a while longer but I'm not remotely interested in whether it does or it doesn't. That might make me unusual. My wife is interested in digging up her family tree and she came from a broken home and so it may be important for her to trace back her family. I know where everyone came from and who everyone was and there are still dozens of them still farming down south there and I wouldn't know them if I saw them in the street and it doesn't worry me at all. It might sound callous or something but it's all settled, you know what I mean?

Andrew did recognise however, that it was a commonly felt sentiment for people to feel an obligation to leave an inheritance to their children but according to Andrew these were people who thought about the world differently from him. His notion that there was no family obligation to ensure an inheritance for his children did not mean that Andrew thought that parents should not help their children financially. For Andrew it was more an issue of timing in that parents should ensure they helped their children financially when their children were still young and after that the children were 'on their own'.

8.5.3 Varied Understandings of Inheritance

Unlike Craig and Fay for whom inheritance was a special money, Rick claims he did not treat his inheritance as special, but instead added it to a running account which, in effect, lowered his mortgage. Although Rick made the claim that his inheritance was not special, he nevertheless used the money which made up his bequest as a means of building financial security through property investment. His actions therefore were not necessarily different from those who did recognise inheritance as a special money and ensured it was safely invested. On the other hand, Rick observed that his brother treated his inheritance more like a windfall. This observation demonstrates that Rick, at least implicitly, recognised different categories of money and the meanings attached to these categories. The interview also shows the way meanings colour the way money is used and how that use is judged by others.

A quiet, intense and thoughtful man in his early 40's, Rick is employed as a consultant in the computer industry. On the death of his mother Rick inherited approximately \$30,000 which came from the sale of his mother's house. He insisted that he did not think about his inheritance as special money.

Rick: Well the inheritance didn't strike me as being special, I didn't do anything special with it. My brother on the other hand, who was on a solo parent benefit at the time, went out and bought a boat. As I said he has different values to me. It seemed quite incongruous to me. It ended up costing him a further \$10,000 to repair and fit out and then it sank and he lost ... It was insured but there was a whole fiasco involved with it. He ended up having to sell it for probably a third of what, maybe a quarter of what he had spent on it in total, but a third of what he paid for it. So his went down the gurgler as it were. Yes I didn't tag mine specifically but it went into things like, I run one of those accounts where your mortgage is just part of your daily account and the more money you've got coming in the lower your mortgage is, so I've lowered my mortgage, but then it also went on things. But I didn't have a spending spree or a tagged piece of capital. It didn't have any different significance to me than my salary coming in. Perhaps if it was I don't know \$120,000 instead of \$30,000 it

would have been a significant amount to sit down and think well this is a kind of new direction or a new start but \$30,000 I mean. I have subsequent to then bought a second house but it wasn't tied to the inheritance. It was just part of an ongoing idea that I had no other kind of security or saving and having property assets struck me as a ... It's something I have no conception of the share market. A number of friends dabbled in it and lost you know \$10,000 or \$15,000 of what really wasn't discretionary money on the sharemarket and I thought it makes no sense to me in an area I've got no knowledge of whereas building, property, design, market values, I did know a lot about and despite what the economists are saying about inflation I don't see it happening. I mean I see rental values still the same as they were five years ago. They haven't come down with a drop in capital costs.

Although Rick claimed he did not treat his inheritance as a special money he provided interesting examples of special monies in operation from observations of other people's behaviour of the process of mental accounting that takes place with money. For example, Rick alluded to his mother's practice of earmarking certain money for certain purposes.

Rick: I don't compartmentalise my money ... but my mother had a whole series of envelopes and when, she was on a widow's benefit, and when it arrived it got compartmentalised physically into envelopes so she knew she had enough to pay the rates. But my money just runs into a pool so I didn't have a specific, I didn't go out and say oh I have just this amount of money I'll blow it on this. It just added itself or subtracted itself from the debt (laughter) ... So I don't have a particular article or particular business I started with it. It just went into the general, I wouldn't say plan, because I'm not economically skilled. I don't live for money. I would like more like most people. I find it an incredible key to get into all kinds of things that you want to do but I don't strive and lust after it.

Later in the interview Rick returned to the concept of special money. He indicated for example, that the relationship he had with his brother gave his brother the right to ask for money. Rick characterised his brother as leading an

alternative life style in which paid work played a very minor part, so when Rick gave him money he knew it would be a gift and not a loan. As he indicated such an action on his part took place only because of the bond that the sibling relationship created between the two men. Rick gave his brother money because he was his brother and his brother was able to accept the money on the basis of that relationship.

Rick: But getting back to your concept of special money and what people do with certain types of money - it's intrigued me a lot lately. ... My brother was short of cash recently so I gave him a couple of thousand and said I don't want to hear about it again. He was in a bad patch. That's gone. But under most circumstances if people came to me and wanted a chunk of capital I'd suggest they go and work for it themselves.

Doris is 61. She is married and has three grown up sons, all of whom are married and settled in homes of their own. Doris inherited approximately \$60,000 from her deceased mother's estate and treated her inheritance as neither sacred nor as a windfall that she had no attachment to. The excerpts from Doris' interview suggest however, a flexibility of connection between on the one hand, meaning that is abstracted to the source and on the other hand meaning that is abstracted to the use. When Doris referred to the inheritance she clearly imparted the idea that by spending a significant part of the inheritance on travel, the use she made of it was valid and thus the inheritance was not frittered away on what she thought were extravagances. At the same time, she recognised that while her mother also enjoyed travel, the number of overseas trips taken by Doris and her husband might have been viewed by her mother as excessive. Doris explained away this contradiction by saying that while her mother did enjoy travelling, she came from a different generation from Doris and her husband and held somewhat different attitudes. Doris also explained that all the inheritance had not been used on overseas travel, but some was set aside to use 'if anything happened'.

Doris: We've had lots of holidays. Mind you our holidays come from my mother's money. We've had four overseas trips in four years. What we've

done is we've used my mother's money in the four years since she died, four years last March, we've had four holidays. We're just going shortly to Rarotonga for a week. We had three months two years ago, but that was to Europe and England and Germany, a big one. America has been six weeks and things like that. The last we had was three weeks in Australia. That's where the inheritance has gone, on holidays. We haven't spent anything on the house at all because we had it all done.

Ann: And you said your mother liked travelling as well?

Doris: Oh yes I think she should be pleased that we've had some trips.

Ann: So will you actually spend the entire inheritance on holidays?

Doris: No we won't. We always told ourselves that we would keep some of it because we can't save and if anything happened that we had to go into a home ...

Mental accounting was clear in Doris' justification of her spending on travel by comparing it to other ways in which she could have 'frittered away' her inheritance money.

Doris: I could have gone away and bought diamond rings worth thousands of dollars and I could have gone away and changed all the furniture in the house and that

When I asked Doris the question as to whether she would have used her money in the same way if it had been Lotto winnings her response highlighted the importance of recognising that a range of factors might impact on the way people use their money. In this example a key factor was the age of the inheritors.

Doris: I would have given the kids more than what I gave them from Mum's. I would have been a bit more generous because it would have been something I wasn't thinking I was going to get. Because I always know if we win Lotto the first thing we would do is pay the kids' mortgages off.

We always joke every week we get a ticket, well sorry kids no mortgage. Yes that's what I'd like to do if I ever won Lotto. I'd give the kids so much but I'd still spend it on travel. I wouldn't just put it away and think that will be there for a rainy day, not now, not at our age now. Earlier on perhaps, because I think we've got to do what we want to do now. Time isn't going to ... We might live many years but then again we don't know do we?

Brian is in his mid fifties. He is married with two adult children who still live at home. He had been made redundant from a senior management position a year before the interview, but with a generous redundancy package, years of a substantial salary and the income from his wife's employment, the family appeared prosperous. Brian had inherited \$30,000, which had come from his share of the sale of his deceased mother's house. The inheritance had been used to pay off the mortgage on his own house.

During the course of the interview Brian himself brought up the issue of the connection between the source of the inherited money and the use to which the money is put by articulating the notion that those who will leave an inheritance might attempt to influence the beneficiaries into how the inheritance is used and who should have access to it. His comment provides an insight into the manner in which normative notions of inheritance and its uses become understood.

Brian: I wonder, do you believe that people who do inherit money dispose of their money in such a way that they feel their parents would approve of?

Ann: Yes I think that's a strong element in it. Do you?

Brian: Yes I think so. I would say when our time comes that we would certainly have given some indication to our children as to what we would like done with it ... without putting any ... and people say never let your husband get hold, his hands on it you know if you don't approve of them ... there are those things to consider. Well certainly my parents never said to me well this is what you should do with the money, but whereas they knew

exactly what my brother and I would do with it they weren't too sure what my sister would do with it because of her emotional state...

Brian affirmed the notion of inheritance as a special money by indicating that had he won the same amount in a lottery he would not have used it in the same way, but instead the family would probably have taken an overseas holiday.

Brian: Yes it really is special money ... the concept, the fact that it has come down from your parents is very special. Yes, inherited money is special. It's probably the most special money you might say because it has that family connotation and family with a capital f for parents.

In this section I have attempted to extend and critique Zelizer's concept of special monies. The interview data presented demonstrate that there is considerable variability in the meanings attached to inheritance money and the uses to which it is put. In short, while the concept has merit in opening up a framework through which the issue of inheritance money can be better understood, in the form presented by Zelizer it is overly essentialist and requires a shift in focus. The issue then becomes not so much the special character of inheritance money as differentiated from other monies, but the context of family and other intimate relationships that shape the variable meanings that are attached to special monies. The flows of inheritance money down generations and the way it is treated and the uses to which it is put make tangible the nature of these relationships.

8.6 SUMMARY

Mainstream sociologists have tended to treat money from a perspective similar to that which underpins neo-classical economics. The work of key theorists in the field of housing wealth inheritance is underpinned by a similar approach. The concept of special monies is a useful starting point in the development of a critique of this approach.

The concept of special monies proposes a model of money which draws attention to money's social basis and highlights the processes through which money is socialised by values, sentiments and emotions. Special monies are special in that they belong only to certain categories of people, are earmarked for special purposes and allocated and controlled in specific ways. Acceptance of the concept would see inheritance money as one category among many categories of special monies.

The extension of the concept of special monies as set out in this chapter focused on the idea that Zelizer's rendition of the concept does not take account of the variability in the meanings attached to inheritance money, or of the variability in the ways inheritance money is used.

The interview data presented demonstrate that there is a range of meanings associated with inheritance money. While these meanings might revolve around lines of family connections and be associated with the emotions of love and caring, they might also have to do with disconnection and involve such emotions as pain, hurt, anger and indifference.

The flows of inheritance wealth trace and make tangible these lines of connection and disconnection and as they do they are accompanied by multiple stories about their meanings.

It is understanding the nature of the interpersonal bonds rather than the nature of inheritance as a special money that becomes crucial, as it is the nature of these bonds that can be the defining feature in terms of the meanings people attach to inheritance money.

CONCLUSION

9.1 Aims of the Thesis

This thesis has been concerned with broadening the existing debates around issues of housing wealth and inheritance. The aim was to extend these debates in three ways. The first, was to add a comparative dimension to what had hitherto been effectively a British concern, through the examination of key issues and questions as they related to housing wealth and inheritance in New Zealand. This extension was intended to gauge the wider relevance of the debate and move it laterally from the somewhat narrow, ethnocentric path along which it had been developing. A second aim has been to present a range of empirical data in order to address arguments regarding the impact of housing wealth inheritance on changing patterns of social inequality and social stratification. A third intention for the thesis was to broaden existing debates beyond their predominantly economic focus, in order to examine the process of inheritance itself for the insights it can offer on the nature of family and other intimate relationships.

In working through these three areas of extension to the housing wealth and inheritance debates I have attempted throughout to heed Bourdieu's call to transcend the 'false antinomies' on which much of social science is based. When put into practice in a study such as this, Bourdieu's injunction has impelled me to follow where the trails and puzzles of the research have led in a relatively unfettered way. Consequently I have been able to cross the boundaries of the social science disciplines, drawing on material and connecting with debates in anthropology and economics. I have also been able to extend my focus in this thesis beyond the concerns of housing studies, the economic dimension of home ownership and inheritance, and debates in social

stratification, to link into arguments that connect housing wealth and inheritance to debates in the sociology of the family and in economic sociology. Drawing together an array of quantitative and qualitative data gathered from a variety of sources has allowed me to delve into a range of issues pertaining to housing, wealth and inheritance from the microcosm of familial harmony and disputes to the macrocosm of societal divisions. In keeping with my approach to 'doing' sociology, I have attempted to weave together these elements and develop a coherent, integrated piece of work that highlights the connectedness between disciplines, between theory and research, between research methods and between micro and macro levels of analysis. My construction of the thesis has therefore been concerned not only with examining issues pertaining to housing wealth and inheritance, but also with developing and putting into practice my approach to 'doing sociology'.

The intention for this final chapter of the thesis is to summarise and pull together the various conclusions about the empirical and theoretical issues that I sought to address at the outset of this study and which have emerged during the course of my work. In the next section I will comment on the debates around issues of housing wealth and inheritance in light of the empirical, New Zealand material that I have developed for that purpose. The particular focus here will be on the debates relating to social stratification and the possibility of housing wealth inheritance as the basis for the development of a new, dominant sectoral division in contemporary society. In the following section I speculate on the future of housing wealth inheritance in New Zealand. Section 9.4 comprises a review of the study of wills from two stances. The first comments on wills as a means of exploring connections between the personal and the social. The second shifts the focus onto bequeathing patterns and emphasises especially the importance of female bequeathing behaviour. Following the conclusions I draw regarding wills I comment on micro issues of inheritance as a family matter and a means through which both familial connections and familial divisions are shaped. Throughout the thesis I have attempted to develop a critique, sometimes implicit, but more often explicit, of the manner in which economic behaviour tends to be portrayed in much neo-classical economic theory and in mainstream

sociology. Inheritance has been the issue through which I have questioned principle tenets of the neo-classical approach. Key points of the critique will be reiterated in this chapter before the concluding remarks to this thesis.

9.2 Housing Wealth Inheritance

Housing wealth inheritance as an issue of sociological significance arose first in Britain as a response to the growth of mass home ownership over the post World War 2 period, accompanied in the later decades of this period by high house price inflation. As the debate developed three key shifts have been apparent. The first is a shift from speculation and conjecture regarding the impacts of housing wealth inheritance, to a much greater use of empirical data to support positions within the debate. The second shift is one from treating home ownership as a homogeneous tenure and focusing on the divisions between on the one hand, home owners and inheritors and on the other non-owners and non-inheritors, to a view that home owners and inheritors are groupings that are internally highly differentiated. The third shift is one away from a narrow focus on the economic aspects of inheritance to a consideration of the social relationships involved in inheritance, particularly family and other intimate relationships.

Implicit in much of the British literature on housing wealth inheritance is the theme that inheritance is a process which, by differentially dividing wealth, divides people. In part at least this thesis has been concerned with problematising what on the surface might appear a relatively straightforward observation by developing a less taken for granted, more critical and decidedly more nuanced approach to the study of wealth, inheritance and divisions. As I argued in Chapter 3, to understand the complexity of wealth inheritance, wealth must be understood contextually. What counts as wealth, who defines what wealth is, who owns it and why some components of wealth are more or less widespread than others, need to be examined in a context which takes account of the specificity of the cultural, economic and political milieux in which wealth is embedded. By drawing on a wide array of local empirical material I have addressed the theme of the contextual nature of wealth explicitly throughout

this thesis. Understanding wealth contextually demonstrates why the issue of housing wealth inheritance can only be of importance in particular types of societies like New Zealand and Britain, which are characterised by housing tenure patterns that reflect a particular form of property ownership and type of tenure arrangement: a mature home ownership sector. Once recognised, this key idea provided a solid base from which arguments regarding the importance of housing and wealth inheritance and people's understandings and experiences of these phenomena were able to be addressed.

Narrowing the geographic focus, but still keeping in mind the comparative nature of my task, the thesis drew on a range of empirical New Zealand data to address the stratification debates concerning housing wealth and inheritance. The deceased persons' estates data presented in Chapter 4, the Land Titles Office data from Chapter 5 and the interview data all supported the contention that housing wealth was a key component of inheritance in New Zealand. The deceased persons' estates data demonstrated that housing wealth was the single most important component for all estates except those estates of least value and those of greatest value. From a different perspective the interview data also showed clearly the fundamental role of home ownership in New Zealand society, not just in terms of a good investment, but also as a source of ontological security and a means through which identities are constructed.

While recognising the importance of home ownership and inheritance in New Zealand, it is nevertheless difficult to support the extreme versions of the housing inheritance debate that contend that the inheritance of housing wealth has emerged as the new, major social division in contemporary society. My data have demonstrated that housing wealth inheritance is an important economic and social phenomenon. Yet it is difficult to go from there and make the leap that has been made in some of the British literature, and argue that because of its accumulation potential and the possibility that the accumulated wealth is passed on through inheritance, home ownership has become the new, dominant social division in contemporary society: a division not based on occupation and labour market location, but a division between home owners and non-owners

reflecting consumption sector location, and by extension, a division between inheritors and non-inheritors.

Drawing on the empirical data from Chapters 4 and 5, supplemented by interview data, I have demonstrated that this argument is somewhat overdrawn. The data on deceased persons' estates showed that mean estate values in New Zealand are not particularly high. During the years 1980 to 1992, the mean value of women's estates in New Zealand ranged from \$94,000 to \$144,000 (in real 1993 dollars). The average male estate was higher, ranging from \$138,000 to \$163,000 (also in real 1993 dollars). According to my case study data, these amounts, if being passed on intergenerationally, would be divided, on average, among 3.5 children. Thus a typical New Zealand intergenerational inheritance through the 1980s and into the early 1990s would have likely been in the range of \$40,000 to \$50,000 (in real 1993 dollar terms) approximately equivalent to one year's salary in a reasonably well paid occupation. The interview data I gathered showed that of the 20 people interviewed for this study, the smallest amount inherited by any individual was \$8,000, the greatest was a house valued at \$125,000. Only a few interviewees inherited more than \$50,000, even including their share of a house. While I am not denying that these amounts are substantial, they are nevertheless, hardly amounts sufficient to be the basis for the development of new social cleavages.

In addition, the focus on mean amounts of wealth loses sight of what I believe is the most compelling aspect of the numerical data presented: the significant variations in the size of inherited estates, which are further fragmented according to the number of beneficiaries. The complexity of the data presented show that because of its variability, housing wealth inheritance is best conceived of not as a unitary phenomenon and the beneficiaries from housing wealth not as a homogeneous grouping, distinct from non-inheritors. Instead the notion of an inheritance continuum could be developed, with extremes ranging from non-inheritance (and the \$100 bequest at one end), through to the dynastic fortune at the other. Such a continuum might better reflect the considerable range within the categories of inheritance and inheritors. Viewed this way,

inheritance could on occasion be almost a non-event. It could also be of such importance that it changes the recipient's life in fundamental ways, that may or may not have much correlation with its monetary value.

The data I have presented would lend support to the position that housing wealth inheritance is more likely to reflect, or even augment already existing forms of inequality, rather than opening up new distinct, social fissures. In keeping with the neo-Weberian flavour of my analysis it also seems more plausible to theorise that the divisions that might develop as a result of housing wealth inheritance, are only one of a number of possible emerging bases for social inequalities. Equally persuasive arguments can be put forward that the poverty of women who have children and are not in the paid work force (the feminisation of poverty thesis), or the advent of the professional working couple, can be major bases for the emergence of equally divisive social and economic inequalities.

The implication of focusing on housing wealth as the key component of inheritance raised the issue of the unintended consequences of housing policy that aids in the achievement of home ownership for certain categories of people while denying others the opportunity. It was argued that an unintended consequence of the post World War 2 housing policies that strongly encouraged the growth in home ownership, has been crucial in ensuring that some groups of people have inherited housing wealth and others have not. Lower home ownership rates for Maori and Pacific Island people and for single and divorced women has had the consequence that the offspring of people in these groups have been less likely to inherit housing wealth. One can conclude therefore that patterns of housing wealth inheritance can be strongly shaped by the meshing of state policy and the housing market.

9.3 The Future of Housing Wealth Inheritance in New Zealand

What then is the future of housing wealth inheritance in New Zealand? Can it be expected to remain the taken for granted occurrence it has been in the lives of most New Zealanders? In the context of a decade of sweeping changes to

forms of social security I think not. The connection between home ownership and housing wealth inheritance may not necessarily be as automatic in the future as it has been in the past as increasingly housing equity is drawn on to compensate for the decline in government subsidies in health, education, housing and income support (Davey, 1995 :68). More specifically, there are at least three sets of circumstances which might cut through the automatic connection between home ownership and inheritance. The first of these involves changes to health care subsidies. In 1993 charges for care for the elderly were implemented that extended the already existing regime of asset testing long stay geriatric patients in rest homes to testing those in hospitals. The main point of the changes was that long stay, elderly patients had to give up any annual income and/or progressively sell their assets (or have them sold for them) in order to pay for their care. The result of these changes is that the intergenerational transmissions of housing wealth will occur for those people whose parents, or other relatives, did not spend time or spent only a curtailed period of time as a geriatric patient in long stay care. In the future the extent of housing wealth inheritance may likely reflect more closely the health status of elderly home owners and their ability to remain living independently. In the British context Holmans and Frosztega (1994) make a similar argument when they point to the greater probability of surviving spouses dying in institutions, having used at least part of their wealth to pay for their care in old age. Therefore the use of wealth and savings would become increasingly common in the future, especially in the context of the rapidly declining welfare state.

Second, the analysis presented in Chapter 5 showed that generally people were not likely to inherit until they were well into middle age. By this stage it is probably too late to have much effect on their occupations and working lives, but could possibly affect inequalities in old age, with inheritors investing bequests for the purposes of drawing on later, after retirement. Such a prospect is likely in New Zealand in the context of uncertainty regarding the continuation and level of a state superannuation programme.¹

¹ For a useful discussion that is American in origin, of the way the pension system and *inter vivos* transfers of wealth from parents to children to pay for education, leads away from the traditional wealth transmissions at death see Langbein (1989).

Third, it is also possible that the future of housing wealth inheritance in New Zealand could be affected by a greater utilisation of equity release schemes. To date the take up rate of such schemes in New Zealand has been very low, which mirrors responses to such schemes overseas (Leather, 1990). If significant changes occur in value and availability of New Zealand's guaranteed retirement income, as has been indicated, reverse mortgages might become a more popular way of maintaining a satisfactory standard of living in old age. As a result, the extent and value of housing wealth could well be reduced and perhaps with that the ties that bind across generations might be weakened. However, as Davey (1995: 74) noted, the acceptability of such schemes will be influenced by attitudes towards inheritance. The interview evidence is not clear on this point, although it appears that while people would like to leave an inheritance for their children they are nevertheless concerned with ensuring their own financial well being in old age, particularly given the current climate of uncertainty. Some of the respondents referred to changing intergenerational attitudes towards inheritance which endorse overseas findings that suggest the desire to preserve housing equity to pass on to the next generation is decreasing (Hamnett *et al.*, 1991; Mullings and Hamnett, 1992). The idea was also expressed that it would be more useful to help children financially during their education and over the period when they were establishing themselves in an occupation, than to leave an inheritance to them later in life, at which time they would be well established.

9.4 Wills and Inheritance

I have argued in this thesis that wills are meaningful personal documents that express the will makers' wishes concerning the way their property is handled after their deaths. They are an extraordinary form of communication too in that they act as a link between the living and the dead. Wills are also social documents whose contents are profoundly shaped by the social context in which will makers live their lives. The study of wills can reveal much about the process of inheritance, the way in which close family are acknowledged and the components of property that are considered valuable.

For the purposes of revealing the bequeathing practices of New Zealanders I studied 293 wills, all of which contained housing property. The clearest general pattern revealed in the study was that inheritance is largely a two stage process, with the first stage entailing a lateral movement of property to a surviving spouse and the second stage involving a finally dissolving estate, a greater number of beneficiaries and generally a flow of property to the next generation. As might be expected the bequeathing patterns identified in this study revealed that inheritance is very much a family affair, with spouses leaving their property to one another, widowed people leaving it to their children and single people to nieces, nephews and sometimes siblings. Intergenerational transmissions of property are generally accomplished with due regard for the principle of equality. While testamentary freedom is widely recognised as a sound principle, it is more obvious in the wills of people who have neither spouse nor children.

There is a predictable quality to the bequeathing patterns revealed in this study. This feature rests not so much on the attributes or characteristics of the individual testator as on the relational context in which testators live their lives. Being in an anomalous relational context offers the testator an opportunity for testamentary freedom that is not open to, or used by those who have close family members.

Earlier I referred to inheritance as a two stage process, the first stage of which involves property being passed to a spouse. A key feature of the stages are that they are gendered. My data revealed that more than twice as many male as female property owners passed on their property to their spouse, and approximately 3.5 times as many women as men left property to the next generation. In addition much more women's wealth than men's wealth was left to beneficiaries outside the immediate nuclear family.

Historically men have owned property and it has been men who have directed its distribution after their death. My data reveal that this phenomenon is very much a thing of the past. Women have greater longevity than men and tend to marry men older than themselves, which means that a significantly greater

proportion of women than men make decisions about the distribution of property in finally dissolving estates. Thus when it comes to analysing the impacts of intergenerational inheritance it is female estates and female bequeathing behaviour that will inevitably become the focus of study. The proposed changes to New Zealand's succession law which, if implemented, will recognise women's rights to inheritance above those of independent adult children will ensure that women have access to their husbands' or partners' estate that might have been previously denied them. Together these features can be seen as an important area where women, especially older women, can have considerable power and autonomy. In addition, the data on special gifts indicate that women and men practise bequeathing behaviour differently. Women give special gifts more often than men and to a wider range of recipients. If New Zealand's succession law does change and testamentary freedom becomes sanctioned in practice, it is possible that the less restricted approach to bequeathing seen in women's treatment of special gifts, might be extended to the estate as a whole. The issue of women and inheritance is one that requires further study.

9.5 Inheritance: Divisions and Connections

In part this thesis has addressed debates around the issue of the impact of housing wealth inheritance on social stratification. It has therefore been concerned with broad, structural relationships among larger social groups. A novel aspect of my work however, has been the demonstration that the study of housing wealth inheritance can provide insights into the way intimate social relationships are understood and experienced. Thus this thesis has also focused on the way housing wealth inheritance divides and unites people at an interpersonal level, a facet of the debate largely ignored in the British literature.

According to Goody (1976: 8) 'the manner of splitting property is a manner of splitting people'. The extent of conflict on families over inheritance issues demonstrates the repercussions that can occur when people are thus split. Stories abound about the divisions in family relationships caused by inheritance (de Regt, 1994). Examples of such stories are contained in a number of the

interviews included in Appendix A. What is compelling about these stories is the depth of the emotions communicated and the way inheritance can be the catalyst for divisions within interpersonal relationships, particularly familial divisions. The stories show that inheritance can be a means through which families are torn apart: aggrieved siblings begin a feud over the perceived injustice of the size, value or nature of their bequest in light of what each thinks they rightfully deserve; a widow develops a bitterness towards her dead husband because he has written his will in such a way that she has only a life interest in his estate rather than full control of it; and a niece accuses a nephew of unfair tactics and taking advantage of the vulnerability of old age in trying to influence an elderly aunt into writing her will in his favour. Although there are laws dealing with inheritance, these may be very much out of kilter with the way individuals define deservingness, especially as it applies to themselves. Often this is spoken about in terms of “what I did for her” or “he didn’t do anything for her”, with a subtext of “therefore I deserve to inherit”, or “I deserve to inherit more than he inherits”. Viewed this way it can be seen that inheritance is tightly tied to a sense of justice (Cates and Sussman, 1982:6) and the attribution of worth. Inheritance matters are therefore about perceptions of honest treatment and the understanding that people receive what they think is theirs by right and what they deserve. Although the everyday perception of family conflict over inheritance is explained by recourse to arguments about greed and avarice, I suggest that it is the different perceptions of justice, right and deservingness that is at the base of much conflict surrounding inheritance.

The process of inheritance need not however involve division and conflict. Drawing on empirical material derived from interviews with inheritors and the analysis of wills I have attempted to show that people also use material goods to make meaningful and positive their connections to one another. Inheritance and more specifically housing wealth inheritance is not therefore only about divisions and conflict, but is also about connections and bonds between people, particularly among families and about the emotions that accompany family life. Inheritance can be used as a defining mechanism for a family and identities within a family. For example sisters who define themselves as “not the sort of

people who would argue over a stupid thing like a vase” are in fact defining themselves as being part of a harmonious sibling relationship that is above petty greed and acquisitiveness. Just as family identity can be defined in relation to inheritance so can individual identity. It could be argued that the parent who writes a will in which all children benefit equally, despite variations in the extent of ‘need’ is defining herself in terms of the particular but contestable ‘rule of fairness and equity’.

Recognising that inheritance is one way through which the meaning of family and of individual identity within a family is defined, allows for a more comprehensive understanding of such facets of inheritance as the writing of wills, the leaving of special gifts and the various ways inheritors treat and use the bequests made to them. The manner in which bequests are made and the content of the bequests can demonstrate a variety of things. Partners, spouses and friends can show their love and care for one another, parents their emotions for their children and their concern for family continuity. Just as vividly, the bitterness and conflict of family life can be revealed.

9.6 Inheritance: a Critique of the Economistic Approach

A concern I have pursued throughout this thesis has been the development of a critique of the portrayal of economic behaviour in neo-classical economics and mainstream sociology. The analysis of the empirical material gathered for this thesis, informed by the theoretical concepts of Granovetter (1985, 1991) and Zelizer (1988, 1989, 1993), has been the basis for this critique. By embedding actors within a social context and within concrete sets of social relations Granovetter has been able to show that the utilitarian view of economic behaviour is limited, even in the work of such theorists as Becker (1976) who while attempting to take social relationships seriously, still do little more than recognise roles and certainly fail to contextualise relationships and locate them structurally. As Granovetter (1985: 487) states:

Because the analyzed set of individuals ... is abstracted out of social context, it is atomized in its behaviour from that of other groups and from the history of its own relations.

My interview data has provided a useful example of support for Granovetter's argument. It has shown that:

Actors do not behave or decide as atoms outside a social context, nor do they adhere slavishly to a script written for them by the particular intersection of social categories that they happen to occupy. Their attempts at purposive action are instead embedded in concrete, ongoing systems of social relations (Granovetter, 1985: 487).

The inheritors of housing wealth in my study were not simply actors, driven by principles of rational choice and employing rational calculations in order to maximise their individual gain. Instead, the ways they experienced, understood and used their inherited wealth were framed in the context of networks of ongoing family relationships, which included and were often strongly shaped by the relationship between the inheritor and the deceased. The uses of inheritance offered inheritors ways of defining these relationships and their identities in relation to them.

One important outcome of my research is that it has added to the growing critique of the dominant utilitarian understanding of money that underpins neo-classical economic and mainstream sociological explanations for economic behaviour. These positions view money as a neutral and impersonal commodity: nothing more than a medium for economic exchange. The arguments put forward in this thesis bring into question such assumptions and offer a set of analytical tools that opens up issues of money to other interpretations.

9.7 Concluding Remarks

In this thesis I have documented the importance of housing wealth inheritance in New Zealand. In the process of doing this I have engaged with current

sociological debates in the areas of home ownership, housing wealth and inheritance in a variety of ways. A major extension of my work to the dominant preoccupation with the economic dimensions of home ownership and inheritance, and the role of housing wealth inheritance in shaping new patterns of social stratification based around consumption sector location, has been the development of the idea that inheritance concerns much more than simply the passing on of economic capital in the form of money and goods. Inheritance is a process imbued with an emotional value which can go far beyond the value of any of the material or economic assets involved. Inheritance is certainly about economic capital, but frequently a layer of emotional capital is attached and as a result the wealth inherited takes on new meanings that not only reflect but can also construct and reconstruct the relationships between decedents and inheritors, between inheritors and inheritors and between inheritors and non-inheritors: whether those relationships were those between parents and children, between spouses, between siblings, between 'close' and 'distant' relatives or between 'insiders' and 'outsiders' and whether they involved feelings of bonding and connection and warm, positive emotions or a sense of separation and disconnectedness and feelings of pain, hurt, anger or indifference. When inheritance is viewed in terms of more than simply the material assets involved it becomes a prism through which we can see reflected major understandings of the meanings of family as a centre of emotions, conflict, support, responsibility and obligation, the construction of identity through material goods and wealth, notions of morality and much else.

Appendix A

Interviews with Inheritors

The interview component of this study comprised 20 interviews with people who had been recipients of an inheritance in which housing wealth had been a major component. The purpose of the interviews was to gain an understanding of the experiences of inheritors and the meanings they gave to their experiences and then to use these understandings in an illustrative way to complement the findings in the other chapters (Ackroyd and Hughes, 1992: 100). A qualitative methodology informed my approach to the interviews, given that I was not concerned with getting answers to a tightly constructed interview schedule, or in testing hypotheses (Seidman, 1991: 3). Such a methodology aims, among other things, to capture reality as it is seen and experienced by the research participants, to interpret the meaningful explanations participants give of their own and others' actions and above all to understand the participants (Sarantakos, 1993, 45).

The interviews were planned as the last component to my research project. They were carried out in 1993, approximately four years after the decedent's death, to allow for a reasonable time for mourning, but not so much time that it would be difficult to contact inheritors. Like all research, mine too operated under constraints, which on this occasion were time and finance. Because of these constraints I chose to interview people who lived in Christchurch, although I do not see that this has compromised the interview material in any way. It did however, establish my sampling frame.¹

¹ I did not consider employing random sampling to select potential interviewees. For one thing the concept of randomness is a statistical concept which depends on large numbers of participants. In addition it is inconsistent as a technique when participants must consent to be interviewed. An element of self selection is always present in these situations.

Once the decision had been made to limit potential interviewees to people living in Christchurch I systematically searched my files of intergenerational transmissions (therefore omitting cases where the spouse, friends, siblings etc. were the primary beneficiaries) for cases who fitted this criterion. I had this information on file as a result of reading wills and death notices. The latter in particular were useful in identifying beneficiaries as they frequently included a name and address for a next of kin contact. It was impossible however, to identify the names of all inheritors, or to trace their whereabouts. Wills and death notices often do not give full names of next of kin, and with many women changing their names at marriage it could not be assumed that women's family names were the same as those of the decedent. In addition, many inheritors lived in other parts of New Zealand or overseas. There were 77 possible estates from which I had contacts, 57 of which were estates transmitted from a parent to her or his children, 47 of which were estates that were equally divided among the children, a further 10 were estates divided unequally. In addition there were 11 estates left to an only child and 9 estates shared among the nieces and nephews of the deceased. From the list of names assembled I selected 35 as possible informants, using the information I had on the age of the eldest child to ensure that I covered a range of ages among inheritors. As I had decided that between 20 and 25 interviews was the maximum I could manage, given the constraints under which I was working, I thought 35 approaches would be adequate, expecting that of these 35 some would decline to take part in the research and a few would not be reached. To double check on addresses and to find contact telephone numbers I searched telephone books and electoral rolls. Letters were sent to each of the 35 people selected in which I introduced myself and the research, outlined the project and asked for their participation. In the letter I was careful to stress that participation was voluntary and to reassure people that if they did participate anonymity was assured. The letter also indicated there would be a follow up telephone call at a later time. The letter was accompanied by an information sheet which set out in more detail why the issue of housing wealth inheritance was interesting and worthy of research.

I received about 10 telephone calls in response to my letter, with some respondents agreeing to take part in the research, others declining. The follow up calls I made had similar outcomes (although with 20 out of 35 respondents agreeing to taking part in the research I had a 57% response rate). If I sensed there was some uncertainty or hesitation I made no attempt to press the person into agreeing to take part in the research and for those who declined, I simply thanked them for reading the letter and considering the project. For those who agreed to take part, whenever possible, appointments were made for an interview. On occasion, two or more telephone calls were made before an interview could be set up. I was not able to contact about three names on my list, deciding that after five attempts I would not try again. I received one abusive letter in response. This upset me, but I filed it away and made no reply. Most of the interviews were held at the homes of the participants. One was held at my office at the university and at the participants' request, two were held at my home. On average interviews lasted between one and one and a half hours. All interviews were tape recorded and fully transcribed. Hard copies of these transcripts were spiral bound into three books. I looked upon these as my original data.

The method I chose as best suited to my purpose was the in-depth, conversation type interview. Minichiello *et al.* (1990: 87) claim that interviews are rarely categorised as conversations, but that in-depth interviewing is 'conversation with a purpose ... focussing on the informant's perception of self, life and experience, and expressed in his or her own words'. The distinction then between a conversation and an in-depth conversation type interview lies in the focus on the informant rather than the researcher, and while a 'conversation' is taking place it is decidedly different from the types of conversations between two people that might occur in other contexts. In a conversation type interview the conversation is one in which the interviewer listens more and talks less (Seidman, 1991: 56). During my interviews I did not take that to mean I could not ask questions, respond to stories told me by the participants or even share my own experiences, but when I did any of these the purpose was to put the focus back onto the participants and not have it on me, the researcher.

Describing this type of interview as conversational attempts to pick up on the point that it flows like a conversation, that it is not a question and answer type interview and that it displays the informality of a conversation, yet nevertheless aims to elicit understandings about issues of concern to the interviewer. While conversational in style and tone, the interviews could still best be described as semi-structured. That is, they were interviews where there were no fixed questions as such and certainly no ordering of questions. Rather the interviews were focused around issues and around the stories people told about their experiences and understandings of inheritance. I did however develop an interview schedule for the purposes of helping me maintain a focus.

Following Miles and Huberman (1984) the first step in the analysis of the interview transcripts was to study and reduce the text. In the first cut I reduced the peripheral comments that might have had to do with having a cup of tea or talking about the cat pouncing on the tape recorder. Subsequent careful readings in which passages of interest were marked also had as their purpose reducing the text to manageable proportions in order to shape the data into a form that could be shared with readers. During this process I was concerned with making the connections between the common experiences of the people interviewed. An obvious example here might be the difficulty that inheritors who were only children had in bringing themselves to sell the house that had been left to them by a parent (see Interview 7 with Craig Hall and excerpts from the interviews in Chapter 8).² I was also concerned with teasing out common threads and recurring themes from people whose lives were different from one another's. By the time I had done a number of interviews there were frequent occasions when participants echoed one another, which resulted in me feeling like 'I could have almost written the script'. A simple example here might be the frequency with which I heard that an inheritance should not be 'frittered away', or words to that effect. What was so interesting about these common themes was that people of different ages, sexes and obvious living standards articulated

² Two other only children whose interviews have not been referred to in this text also spoke about the difficulties they had in bringing themselves to sell the house that had belonged to their parents.

so clearly the same idea. Of course it is likely that the readers (and the author) of this text might share the same sentiment too.

Finally a word about the interviews that follow. All names and other identifying features have been changed in order that the assurance of anonymity has been met. The same applies to all the interview data that has been used in Chapters 7 and 8 and to the evidence from wills in earlier chapters. I have also chosen to delete from the text the ums, ahs and other little habits of speech that sound 'normal' to the ear, but when put on paper do not do justice to the participant. And what prompted me to select the seven interviews that follow rather than others? One reason is that I believe these interviews provide sufficient material to cover well a range of topics and including other interviews might not have added much to the project. In addition, I think that in all these interviews the reader can gain a strong sense of the participant as a personality. Most importantly however, I chose these interviews because I think that they tell a good story.

Interview 1: Doris Dempsey

Two key ideas discussed in this thesis were articulated in the interview with Doris Dempsey. The first of these, home ownership as part of New Zealand's ethos came through strongly in Doris' endorsement of home ownership as an investment, a source of ontological security and the basis for inheritance. Like other respondents Doris also referred to recent policy changes in charges to long term, geriatric residential care that make precarious the once taken for granted assumption that there was always the value of a house to leave as an inheritance to one's children. The second key idea concerned notions of fairness, equity and deservingness with respect to inheritance behaviour. Doris exemplified her ideas regarding these issues in the way she and her husband Bill had written their wills to include their own children equally, her approach to the sharing of her mother's estate with her brother, her insistence that her mother should recognise Bill as the deserving recipient of her share of her mother's estate should Doris predecease him and the story in which she demonstrated the disapproval of the behaviour of one of her aunts in relation to her grandmother's inheritance.

Doris Dempsey's mother Lettie Wells, died in 1989, aged 90. Lettie grew up on a dairy farm on the West Coast. Married at 26 to Herbert Wells, Lettie had two children Malcolm and Doris, both of whom were named as executors of her will. Malcolm was 65 and Doris 63 at the time of their mother's death. Although she was still the owner of a suburban flat in Christchurch, for the last few months of her life Lettie had been living in a rest home close by to where her daughter lived. As part of winding up the estate, Lettie's flat was sold for \$68,000. In her will Lettie bequeathed her entire estate to be divided equally between her two children.

I interviewed Doris at her home located in an attractive part of one of Christchurch's working class suburbs. All her life Doris had been a homemaker and was very proud of her three bedroomed, two storeyed house that was situated on a well sited section. The house was attractively decorated and was immaculate, both inside and out. Doris said Bill shared her sense of pride in their home and although retired, he still liked to use his practical skills around the house by doing all the maintenance himself. Doris and Bill have three adult sons, all of whom are married. The following section

highlights the importance Doris placed on home ownership, especially the idea of attaining mortgage free ownership before retirement.

Doris: When we came to Christchurch, my father was ill, so that was why we came. And we had to sell our car to pay for our home. But my father made sure that by the time he retired at 60 that he had a freehold property and that wasn't easy in those days, and it wasn't easy for us really. Three sons to bring up and educate. And I never worked and my husband had just an ordinary job. He was a fitter and turner and he, my father always said make sure by the time you're retired, that you have a freehold property because no-one can live on a pension and pay a mortgage. And that was always, home ownership was always very important to me. We were just ordinary. We just managed, we all ate well and we were well dressed and that but we didn't have any surplus money but always in the back was owning that house, because that was an asset and it's the most important thing, because it's the biggest thing you accumulate. You can't accumulate money to the amount of what a property, even an ordinary property is nothing less than about \$60,000 or \$70,000. I mean I guess ours would be worth a hundred odd thousand and I mean we've been here twelve years and we have probably tripled our money since we bought it but we have done a lot to it. We have spent a lot of money on it.

Doris indicated that Lettie had been extremely attached to the home that she had lived in for twenty two years. Even during the last few months of her life when Lettie was in a rest home, the idea of her own home still being there for her to go back to when her health improved was very important.

Doris: She lived in her own home until six months before she died. Well she was in the hospital for seven weeks and then when she came out she went into Melrose House over here. And she was in the residence part for about three months but she thought, she always thought she was going home, she was only there to get well enough

to go home. And we never sold the house or anything. The house was empty.

Ann: So was the idea of still having her house important to her?

Doris: Oh yes she always thought she was coming home. We did mention selling it once and then perhaps stay in the home but no she always wanted her home. That was her home. She always wanted to go home to it, so rather than have a hassle we just left it and just before, a few days before she died, the lady next door had a friend and she came in and said could she have first offer on the place and then we had another lady ring me. Could she have an offer on the place. Well I took the first offer and she was happy to have it right next door to her friend and we didn't even have to advertise. There was no trouble at all. But yes it was important. Her home was very important to her, it really was. She just loved the garden and she loved everything about it. She would come here and would go on holidays but she always wanted to go home. And I think that's good. But owning a house is important. We've always felt that it's here for our children. If there's no money at least they've got the property. But ... you can't say that to your children now. One of us might have to go into a home. Well you're only allowed so much to go into a home today, over and above your house, and once that's gone then they can take your property if there's only one left. If there's two they can't, but if there's one I believe they can take your property, or it has to be sold to pay for care within a home or a retirement village or hospital or something like that. So the days of saying to your family, well you mightn't get any money but the house is always here to share between the boys ... well you wouldn't know today. They're not worried about it because they're quite capable of looking after themselves, but it's always something you want to do for your family. You know like my mother when she died she always said well, perhaps you mightn't get any money but

as she lived longer and longer there was a bit of money. But there was always the property for my brother and I.

There is a widely held belief that with retirement people no longer have access to income through the workforce and thus their wealth levels decline. My interview evidence suggested that there were instances when this did not occur, not necessarily because of planning but through the circumstances of life style and life cycle. Such was the case with Lettie Wells who, according to her daughter, was able to accumulate wealth in her later years by having access to her share of not only the Guaranteed Retirement Income, but also her deceased husband's workplace and war pensions. The pensions, accompanied with a frugal living style meant that in her later years Lettie was able to build up her financial resources rather than run them down.

Doris: Over the latter years after my father died my mother was on her own for twenty years. He was a war veteran and he lived until he was 77 and my mother lived until she was 91. So I'm an only daughter and I've got a brother who has been overseas quite a lot and lives in Auckland. So I've always been here with Mum and we were very close. So everything Mum did, she never even bought a roll of wall paper or a piece of furniture or clothing or anything without me, ever. We always went shopping. I never knew what money she had until her later years because she was able to do all that herself but she got to the stage where I had to do those things for her. ...

(...)

My father was on the railway and he had a pension, a war pension and a superannuation. So Mum, when Dad died Mum got part of those. And Mum she liked to travel. She actually had a trip to Singapore when she was 87, because my brother was there. He took her over and then she came back on her own. And she always loved to have holidays in New Zealand. Always, every year. So she probably spent, but she didn't smoke, she didn't drink, she well she just accumulated.

Like a number of the other participants in the interviews Doris indicated that her mother alluded to the fact that there would be an inheritance for Doris and her brother, but the topic was not one that was discussed openly or in any great detail. This was contrasted with the open, even jocular manner with which Doris, Bill and their children discussed inheritance.

Doris: Mum didn't really talk about inheritance, not to the extent we do.

She always said there would be some, there'd be some property and some money, but no they didn't really. Yes, I always knew that the property'd be there for my brother and I, always. Yes we always knew the house would be left. Oh we always knew there was money. I knew because I'd invested some money in bonds for my mother and my mother doubled her money in a matter of a few years. And I knew there was other money there too because in the latter years I did her banking for her. And having her ordinary pension and having part of Dad's war pension because Dad was wounded during the war, part of that and part of Dad's railway superannuation. It added up over the years.

Ann: So you do talk about inheritance with your family?

Doris: Oh yes, we often said about it jokingly. My eldest son is quite a comedian and he's jokingly said to me, oh different things. We go ... we buy something you know, new fridge or new something else and he'll say yes Mum, do you really need it? Won't the old one see you out, sort of style. I said you only want that to see us out so there is more money for you and we won't spend it all or something like that and he just laughs about it you know.

Before receiving the inheritance from her mother Doris' family had received two other inheritances. The first was £200 from the estate of Bill's parents, and a further \$1,500 was bequeathed to Bill from his unmarried brother. Doris' share of her mother's inheritance was about \$60,000 which was made up of half her share of her mother's house and the rest in cash. Lettie's estate was left equally between Doris and her

brother Ray. Doris described the amicable manner in which she and her brother shared out their mother's possessions after her death.

Ann: With some people I've talked to there's been a lot of conflict over wills and family money.

Doris: No we never ever, we never talked about things like that. He knew, he'd seen the will, he knew exactly that it was shared. There were no hassles, no problems. Everything was left exactly equally between us and the grandchildren are mentioned in the will only if either of us died. If I'd died a quarter went to my husband and the three boys, a quarter each.

Ann: That's interesting so your mother recognised your husband on the same level as your sons?

Doris: She only did it because I told her. I asked her to do that because I felt that my husband had done an awful lot in twenty years for my mother. It wasn't only me. I mean he had gone and he'd painted the roof, he'd done the house, he'd done a lot of work. He'd transported my mother until I got my license, backwards and forwards every weekend when she came to dinner. It wasn't only me that did things for my mother. It was him and I felt it wasn't fair that if Mum, and she quite agreed. She didn't look at it that way because she didn't think of it, but when I told her she could see that.

The house was furnished and my brother and I sat there and said whatever you want take it. And whatever was given, like my sister-in-law had given my mother some beautiful crystal goblets with gold rims on them, he took those back. Things that my sister-in-law had given my mother as presents, which she always did, he took those. And my father's war certificate, framed certificate, he took that. I've got a photo on the wall in there, a very old fashioned

photo of my brother and I taken when we were babies. ... And the furniture and effects in the house, I didn't want any furniture because I've got a house full of furniture, so my brother said whatever your family want, they have. So my youngest son had the china cabinet. Mind you the girls, I shared the dishes out between the girls our girls and I took some for his family, the dishes and the little figurines and different things that belonged to my mother. And I had the golden plates ... and my mother's jewellery I have. My brother, his only daughter and his daughter in laws have his wife's jewellery so there was nothing that he really wanted. It wasn't a lot but there was Mum's engagement ring. I have a wedding ring on which she told me I must take when she died and I have her watch and cameo and that's right he did take the cameo brooch because he'd given it to Mum and when she turned 90 we'd given her a cameo bracelet which I've got. I have her jewellery but the youngest son had a china cabinet and a clock, the middle one had the fridge freezer which belonged to my mother and my eldest son had her bedroom suite. So and the rest nobody wanted so it just went to be sold.

But when Mum died I actually got more than my brother only because of my brother's generosity. It wasn't in the will but when it was split he actually gave me more. I think it was only \$3,000 or something extra because he said I'd done so much and he'd been away and I'd had to carry Mum and Dad all those years on my own while he was overseas, which I did, but I didn't mind doing that. It was my mother and my parents.

When Doris referred to the inheritance she clearly imparted the idea that by spending a significant part of the inheritance on travel, the use she made of it was valid and the inheritance was thus not frittered away on what she thought were extravagances. At the same time she recognised that while her mother also enjoyed travel, the number of overseas trips taken by Doris and Bill might have been viewed by her mother as

excessive. Doris explained away this contradiction by saying that while her mother did enjoy travelling, she came from a different generation and held somewhat different attitudes to Doris and Bill. Doris also explained that all the inheritance had not been used on overseas travel, but some was set aside to use 'if anything happened'.

Doris: We've had lots of holidays. Mind you our holidays came from my mother's money. We've had four overseas trips in four years. What we've done is we've used my mother's money in the four years since she died, four years last March and we've had four holidays. We're just going shortly to Rarotonga for a week. We had three months two years ago, but that was to Europe and England and Germany, a big one. America has been six weeks and things like that. The last we had was three weeks in Australia. That's where the inheritance has gone, on holidays. We haven't spent anything on the house at all because we had it all done.

Ann: And you said your mother liked travelling as well?

Doris: Oh yes I think she should be pleased that we've had some trips.

Ann: So will you actually spend the entire inheritance on holidays?

Doris: No we won't. We always told ourselves that we would keep some of it because we can't save and if anything happened that we had to go into a home ... but I still think in the back of her mind she'd think we were being a bit extravagant. But that's my mother's generation. Not our generation, we're different. I think she would think, see we've been to America twice and I can almost hear her say why do you have to go so often (laughing) you know because my mother is of the older generation. Money's for saving, not spending so much on pleasure. They in that generation they probably thought it was extravagant to spend money on pleasure like we're doing. But see we've got a different outlook because every day as my husband says, is a bonus from now on for both of us.

Doris: I could have gone away and bought diamond rings worth thousands of dollars and I could have gone away and changed all the furniture in the house and that ... but I'm quite happy with what we've got. But it did mean that we had a bit more security. If we didn't want to spend it on holidays we had that extra security here. But we were going to spend it on our pleasure, what we wanted to do. We weren't going to put it in the bank and invest it and just spend the interest. We were going to spend, not all of it but we were going to spend quite a bit of the capital on holidays.

Ann: And did you have that planned? Did you and your husband actually sit down and make that decision about it?

Doris: No, well it just came. We said, oh well we'll go on holiday ...

When I asked Doris whether she would have used her money in the same way if it had been Lotto winnings her response highlighted the importance of recognising that a range of factors might impact on the way people use their money. In this example the key factor was the age of the inheritors.

Ann: If you'd got the same amount, if you'd got \$60,000 from a Lotto win, do you think you would have done the same thing with it?

Doris: I would have given the kids more than what I gave them from Mum's. I would have been a bit more generous because it would have been something I wasn't thinking I was going to get. Because I always know if we win Lotto the first thing we would do is pay the kids' mortgages off. We always joke every week we get a ticket, well sorry kids no mortgage. Yes that's what I'd like to do if I ever won Lotto. I'd give the kids so much but I'd still spend it on travel. I wouldn't just put it away and think that will be there for a rainy day, not now, not at our age now. Earlier on perhaps, because I

think we've got to do what we want to do now. Time isn't going to ... We might live many years but then again we don't know do we?

The theme of family obligations came through strongly in this interview.

Doris: We've accumulated a bit but we haven't got it because we lent it to our son on the farm and that's got to come back. But it's no great hurry for him. He's got that and if anything happens the boys, the other boys know that he's got that. They all know, the three boys know that the oldest one, the money is down there. He could get it for me tomorrow if he wanted but I don't want him to do that because I'm going to be penalised if they do that. And when my mother died I gave each of our boys some money from my mother's estate too.

Ann: It sounds like your family gets on quite well with one another.

Doris: Well I think families should get on. It's the way it should be. My husband and my mother were never terribly, they were never on a very good keel. They had their problems. But I was always the one that kept things as smooth as possible. They didn't see eye to eye in a lot of things. There were faults on both sides but I still had my say when Mum made her last will. That my husband had done a lot, a lot of work for my mother and a lot of help for my mother in the place of my brother who wasn't here to do the things that my husband did for Mum. So I felt that my husband should be equally, I don't say rewarded, but he should, well I suppose, yes rewarded, I suppose that is perhaps the word, the same as me, not sharing the inheritance with me but if anything happened to me. But this might sound strange to you but everything that I have, my husband and I share. It's in joint names, although it was my inheritance it's all joint. Everything was left to me but that doesn't concern me because

I know that if I wasn't here that my husband would just carry on exactly the same as we do now. We're both enjoying it, not just me.

Doris was quite vehement in her support of treating children equally in bequests, yet at the same time recognised that only one of her sons had borrowed money from her and her husband.

Doris: Why do people favour one? I mean they're all your children. My mother would never favour one more than the other. I wouldn't favour one of my children more than the other. I mean my son has got some of ours now, but it's only because he bought a farm and needed it at the time. But I mean why should he have to pay 16% or 15% or whatever it was when I've got money sitting there that I don't need at the moment. I'd hate to think that my son had to go and pay those great amounts. If he was a squanderer and if we was a bad manager, if he drank and he womanised and that, but he's a hard working boy. And he deserves to get on because he's worked extremely hard. And his wife too. And money pressures could push them over the edge too.

Like many of the interviews this one too contained a story of family friction that came about because of inheritance.

Doris: Well my grandmother died at 99 and there were nine of them in the family, five boys and four girls and when she died some of her children had died. But one of her daughters who has just recently died last year at 88, she influenced my grandmother to sell her property and come and live with her and buy another property. But some of the boys in the family were up with the play and when the will was read she got a shock because she was left nothing in that will because she'd had that money earlier on and, I shouldn't say this now because she was my aunty, but she was so different to the other members of the family and had that streak in her that she was conniving. She did everything she could to get money from my grandmother. She held her bankbook and she drew money out of it

when she should never have done, but everybody, the rest of the family knew. My mother knew. It was years, my mother hardly spoke to her because of the way she treated my grandmother. Instead of putting the heater on in the house, she'd put grandmother out in a day like this on the veranda in the sun and give her her meal, no tray and she was 90 and make her, expect her to hold on to it. She was hard. Mind you she'd had a hard life. She'd had a husband who was very hard and her family were very hard, but see she thought, I'm sure she thought that when the will was read that she would be equally divided with the rest of them and she never was.

Interview 2: Rick Leslie

A major principle underpinning the practice of intergenerational transmissions is that of equality. As shown in Chapter 6, Table 6.4, only 13.3% of intergenerational transmissions were those that were shared unequally among children of the decedent. A generally accepted reason for unequal treatment is special need, most often associated with a mental or physical disability. This circumstance informs the following interview.

Violet Leslie died in July 1989 at the age of 64. Violet was born in England and was the daughter of an architect. She and her deceased husband Richard, a doctor, were widely travelled before they finally settled in New Zealand. Rick, the eldest of Violet's three sons is a consultant in the computer industry. The second son David is a beneficiary and Peter, the youngest son lives in an institution for the intellectually handicapped. At the time of Violet's death Rick was aged 39, David 32, and Peter 22.

Violet had owned a house in an established, upper middle class suburb of Christchurch. The house had been bought in 1968 and was initially registered in her husband Richard's name. Later in 1968 it was registered as a Joint Family Home and after Richard's death in 1969, his share was transmitted by survivorship to Violet. In January 1990 the house was sold for \$128,000, the same value as the July 1989 government valuation.

Violet's will was written in March 1988. There were 5 executors to the will, her two eldest sons, two lawyers and a close family friend. The terms of the will were that Violet's jewellery and china were to be put in trust for her granddaughter and all furniture, clothing and other articles of use and/or adornment were to be shared equally among her children. The residue of Violet's estate was then to be divided among her three sons. Rick and David were each to receive 25% of the residual estate, the remaining 50% was to be used to maintain and support Peter.

I interviewed Rick, Violet's eldest son, at the home he shared with his partner Rosalind and her young daughter from a previous relationship. Rick admitted to being skilled at design and interested in houses. The renovations he had done on his own stunningly attractive house demonstrated this ability.

Rick said that for some time before his mother's death she was preoccupied with the whole issue of inheritance. In particular, she was concerned that mechanisms were in place that would ensure that Peter was well taken care of after her death. Rick also indicated that while she was extremely concerned for Peter's welfare she would not have felt comfortable with setting aside all her estate for him. He also indicated that his mother carried with her a sense of guilt about Peter.

Rick: We have one family member in particular she wanted to support and I think if she'd felt comfortable with it she would have left my youngest brother all her money. He's intellectually handicapped. I think she was, I think she felt guilty, or it might have been a degree of parentalism but it extended beyond her death towards our youngest brother. But she felt uncomfortable distributing all of her, it was all from capitalisation of her house so it wasn't a huge amount at all, but she felt uncomfortable giving it all to Peter. It was an amount beyond his needs. He's not capable of independent living but the inheritance was seen for him as something to improve his lifestyle above and beyond what an invalid's benefit is going to do.

When I asked Rick how Peter's inheritance money was invested, the response brought to light some interesting issues about, on the one hand, the costs of setting up and running a trust, and on the other, the importance of having in place a legal safeguard that may be needed if conflict arose over 'the best interests' of the person the trust was intended to benefit. I asked Rick how Peter's share of the estate was being handled.

Rick: Very badly in my opinion. The amount of the estate was some \$130,000, which was apportioned half to Peter and a quarter to each of the other two brothers, David and myself. And Peter's portion was put into a trust and my mother was convinced by a lawyer who specialised in this kind of activity to put the money in a trust and it's sat there without benefit to Peter so far. That's about three years accruing meagre interest and large administrative costs.

There are five trustees. They include two people from the law firm, a minister from the church Peter attended and my other brother and myself. So we've got no financial control without common agreement. But in saying that, none of the other people are in touch with Peter's day to day needs. We can initiate things, like for example we're trying to buy a house for him, and they will rubber stamp that, but quite how long they will keep their tentacles attached to the money and its administration is unclear to me. For example, if Peter buys a house will they want to collect an administration fee for ensuring that year in year out he is dealt with fairly by his boarders or whatever? It's not clear to me. So at the moment they're collecting \$1,500 a year for sending us an annual statement which arrives about a year late. But the trust has its advantages. It's not targeted for tax for example, as long as the income from it is returned to the trust. And we're hoping we can just move in on the whole lump sum and put it into something like property that will move with inflation despite it not being supposed to.

Before his mother's death Rick was well aware of her intention to leave to leave Peter a greater share of her estate in order to ensure his economic welfare. Rick's following comments highlight the importance of looking at the context in which individuals make decisions concerning bequeathing behaviour.

Ann: Before your mother died did she talk to you about the inheritance?

Rick: Endlessly yes. And she suspected that both David and I would steal Peter's money. (laughter)

Ann: Why? (laughter)

Rick: It's not entirely clear to me, I'm a very moral person. But I think rightly she didn't want to, perhaps another point of view, perhaps a more valid viewpoint is she didn't want to put a burden of administering a large amount like that on us, although we have

ended up with the physical responsibility of Peter. I know your focus for this interview is inheritance, but her focus was what Peter would do with his life after she had died. And only part of that was tied up with money, but the money was seen as part of the package. None of the rest of it was put in place.

Rick said that his inheritance amounted to \$30,000 in cash, household goods and some unusual family heirlooms that his parents had acquired on their world travels. While the attitude that Rick and his brother took towards dividing the family heirlooms may have been one that underpinned the way other families acted when dividing property, it was articulated in a way unique in my study. Rick said that he and his brother saw the family heirlooms, not as property that the brothers had a right to individually, or as goods with a monetary value, but rather as common property whose value lay in the store of memories that they embodied. On this basis the heirlooms were divided according to the value of the memory they held for each brother. It was interesting that the decision had been made that some heirlooms were designated as common property so could be passed backwards and forwards between the brothers and not held as individual property.

Ann: Apart from the money from the estate what else did you receive from the will?

Rick: All the usual household effects plus some things which, I rewrote my will today so it's fresh in my mind, plus some family heirlooms I suppose they could be described as. And they weren't apportioned by my mother, they were just left in the house so my brother and I divided them up.

Ann: How did you do that?

Rick: Well each has a history for us. My parents travelled very, very extensively and each article was acquired by them at a particular part of their lives. So for example the camphor chest, here was acquired when they were living in Asia before my brother was born. So we felt it appropriate that I had that. When it came down to it

we decided a number of things would be common property so if David wants to have them for a while he can come and take them.

Ann: That's a very interesting way of dealing with what can be quite a divisive issue.

Rick: It wasn't at all for us. We were both quite surprised. We had to go and divide up, clean out the house and remove the household effects and then these things that we all considered special had to be apportioned out. But for me it was no financial value and I mean that quite literally. It has got no monetary value to me. It's a memory store and I think all of us have the same right to that group of memories and it is just a key to that group of memories. So we did take things. Things that are in my house are things which I prefer physically or which were more appropriate to my life with my parents, or which I particularly liked or had become attached to. And Peter missed out to some extent. He got a fair share of all the things like whiteware. And he again, when he sets up his own house, he is welcome to come into this pool of things and take things, but what, the things that were significant to him as memories came from a much poorer part of my parents' life, after my father had died and so he chose things that were special to him which an outsider would say well he got the raw end of the deal because financially they're worthless. I don't know what that would be worth to an antique dealer but he chose things like a bayonet which he thought my father had had in the war. I actually bought it in Australia when I was a teenager but that for him had that special memory so he got that.

Ann: You know it's these things that often cause huge family conflict, far more than the money.

Rick: Yes and I'm not sure where it comes from because I am acquisitive, and if I buy something I will always get the best. So I am an acquisitive possessive person. I've got a workshop full of tools

which, you know every tool in there I know that my father had this in 1930 or I got this at a garage sale when I was 16, so I'm not dismissive of property or laissez faire about where it is, but this particular issue didn't affect either of us that way.

Ann: And didn't your mother make any provision for the way the other things were to be apportioned out?

Rick: No, I think she wasn't well enough and she thought there would be conflict I think whichever way it went. I can only think of one thing she took care with. My father had a collection of flint-lock pistols which through our travels were all lost but one and David, since he was a child had always loved this particular flint-lock pistol so for a birthday, long before she died she gave David the flint-lock pistol but then insisted it stay in her house (laughter), so that in effect had been willed to him.

Rick told me that the reason for rewriting his will was to take account of the relationship he had established with Rosalind. He recognised that he and Rosalind were one another's chief supporters and consequently he had made out his will in her favour.

Rick: I'm not economically dependent on Rosalind and she has a seven year old daughter and so she has her finances set up so that she's taken care of so our needs are different. If I were to die, and I think that sparked it off because I had a health scare last year, so it made us think about our position a bit more carefully as a family. We'd been quite happy to, you know you think the future is years and years long. Well it got to the point where you should think about it. And if I had died it would have left Rosalind without the things that she's become used to and which she regards as rightly hers. Your own mortality is another thing to make you really look at your relationship and your family.

Ann: And what have you done in your will with the family heirlooms?
Have you itemised them?

Rick: I haven't, but there's provision in the will to do so. But we all recognise what they are, that's quite clear. They're unusual things. They're things like Inca pots, there is no doubt the fact that they are, I mean it's like a family, it's like a photo album which intrinsically has no value, maybe ten cents of paper but as a memory value it's huge.

During the interview we compared the situation in Rick's family with that of other families, particularly rural and Catholic families, in which an inheritance is divided unequally along gender lines with daughters receiving a significantly smaller share of a deceased estate than sons.

Rick: Well a friend of Rosalind's was in that situation. She comes from, not a Catholic, I suppose it's Presbyterian because it's ah, Scottish origin, down, way down South, not far north of Invercargill. And it was a rural situation. I think the inheritance was basically a farm and whatnot and I don't know how many daughters are involved but the two sons basically took the whole farm and the daughters were given small amounts of cash. But seen in its context, and that was what they would hopefully do, go on to marry other rich landowners who had inherited their father's money, and that money was seen to pass through the male side. I mean seen in its context it's a different issue.

At one stage in the interview we discussed both common sense and theoretical views on inheritance and in particular, the idea that because inheritance undermined the spirit of capitalism it should, therefore, be abolished. Rick linked that idea to something he had recently read in which Paul McCartney made a similar suggestion.

Rick: Paul McCartney is a famous exponent of that idea. I don't know what the Kodak Eastman fortune tied to the McCartney fortune is

worth but I remember hearing the figure per day on the royalties coming in to Paul McCartney and I could live on it handsomely for ten years, whatever it was. But a lot of people's motivation and striving and education and so forth, but once you've got all that behind you it then robs you of all the pursuits that make the capitalist society work, you know accruing wealth and building up a business. That's the horrible thing about money that the more you have the more rapidly you can accrue more. And the other thing is that certain professions like being a lawyer and being an accountant and certain other professions, you learn more about the rules of how to play with it than other professions, so those people accrue it more rapidly as well. Yes I've heard people put forward some quite interesting theories on inheritance and my father had one of the nicer ones. He maintained that when you start off life and you're establishing yourself or educating yourself, that's when you should inherit and later on you didn't need it and there was almost no point. Another friend of mine maintains that whole idea is abhorrent, that it should return to some sort of common pool.

Rick's comments on the concept of special money are included as part of the analysis in Chapter 8. Rick claimed he did not perceive his inheritance as special money.

Rick: I don't compartmentalise my money but my mother had a whole series of envelopes and when, she was on a widow's benefit and when it arrived it got compartmentalised physically into envelopes so she knew she had enough to pay rates. But my money just runs in a pool so I didn't have a specific, I didn't go out and say oh I have just this amount of money I'll blow it on this. It just added itself or subtracted itself from the debt (laughter) ... So I don't have a particular article or particular business I started with it. It just went into the general, I wouldn't say plan, because I'm not economically skilled. I don't live for money. I would like more like most people. I find it an incredible key to get into all kinds of things that you want to do but I don't strive and lust after it.

Well the inheritance didn't strike me as being special, I didn't do anything special with it. My brother on the other hand, who was on a solo parent benefit at the time, went out and bought a boat. As I said, he has different values to me. It seemed quite incongruous to me. It ended up costing him a further \$10,000 to repair and fit out and then it sank and he lost ... It was insured but there was a whole fiasco involved with it. He ended up having to sell it for probably a third of what, maybe a quarter of what he had spent on it in total, but a third of what he paid for it. So his went down the gurgler as it were. Yes I didn't tag mine specifically but it went into things like, I run one of those accounts where your mortgage is just part of your daily account and the more money you have got coming in the lower your mortgage is so I've lowered my mortgage, but then it also went on things. But I didn't have a spending spree or a tagged piece of capital. It didn't have any different significance to me than my salary coming in. Perhaps if it was I don't know \$120,000 instead of \$30,000 it would have been a significant amount to sit down and think well this is a kind of new direction or a new start but \$30,000 I mean. I have subsequent to then bought a second house but it wasn't tied to the inheritance. It was just part of an ongoing idea that I had no other kind of security or saving and having property assets struck me as a ... It's something I have no conception of the share market. A number of friends dabbled in it and lost you know \$10,000 or \$15,000 of what really wasn't discretionary money on the share market and I thought it makes no sense to me in an area I've got no knowledge of whereas building, property, design, market values, I did know a lot about and despite what the economists are saying about inflation I don't see it happening. I mean I see rental values still the same as they were five years ago. They haven't come down with a drop in capital costs.

(...)

But getting back to your concept of special money and what people do with certain types of money - it's intrigued me a lot lately. ... My brother was short of cash recently so I gave him a couple of thousand and said I don't want to hear about it again. He was in a bad patch. That's gone. But under most circumstances if people came to me and wanted a chunk of capital I'd suggest they go and work for it themselves ... But friends of Rosalind's recently won Lotto and people regard that amount and that way of getting it as totally different to how they would regard it had they gone out and worked for it and they all expected a piece of it.

Ann: I saw an article in a women's magazine about big lottery winners in Britain and they said the same thing. But I was intrigued with what the women said they spent the money on. I think all but one of the women interviewed said they'd bought a fur coat for example ...

Rick: Well that's exactly what this woman has done. She's bought a fur coat, festooned with gold jewellery. They have both bought very top end of the market cars, a new house and then their imagination has run out, completely and they've still got \$3 million. They decided to blow a million and they've got \$3 million sitting there and they've got no idea what to do with it. They decided they would go on every imaginable cruise and after the first one the husband came back and said the whole world is populated with bloody wogs and that was the last time he was going anywhere ... Mind you another friend of a friend of mine, won and I've no idea how, \$10,000, a woman, and she decided that it wasn't going to complicate her life so she phoned up a friend, have an overnight bag packed on Friday and I'll pick you up and they came back from Auckland on Monday, broke. And they weren't allowed to buy anything. They had to just spend it and apparently they did - Presidential Suite in the Park Royal costs \$1,500 a night, limousines, first class air fares, having every imaginable beauty treatment, I don't know ...

Most people I interviewed recounted an 'inheritance story', which usually involved a lost inheritance, or some sort of skulduggery involving inheritance in either their own or someone else's family. These anecdotes often involved situations such as people changing their wills on their deathbeds under extreme pressure from a family member or friend. Rick too related his 'family story' about inheritance.

Rick: Yes our family on our mother's side had a vast fortune. They were from Wales and that happened to the family. They were dispossessed of the entire fortune by the housekeeper who married the widower and he changed the will in the last week of his life and she inherited and, I'm talking about vast amounts here. Well that's going back some time. It's Welsh law I suppose or UK law which I've got no familiarity with at all but the family, the children had no opportunity to contest. There's nothing to say that the sound mind isn't a spiteful, malicious, scheming, whatever one at the same time.

Interview 3: Maureen Mulroney

There are two themes I wish to highlight in this interview. The first is the connection between inheritance and death. In much of the literature on inheritance this connection is overlooked, yet as this interview illustrates, it is impossible to treat inheritance adequately in a sociological sense without exploring this connection. The link with death might begin to explain why there is a disinclination among close family members to talk openly and/or seriously about inheritance. To contemplate inheritance one has to face up to the fact of death, and this is not something that is easy for many people, particularly if they have close, warm relationships and they see the person from whom they will inherit as still having a 'lot of life left'. The second theme involves the financial and other impacts of receiving a bequest. Much of the literature on housing wealth inheritance has involved conjecture regarding the likely financial impact on the lives of the inheritor but seldom has it suggested that an inheritance might make little or no difference. In this interview it was demonstrated that the sum inherited had almost no financial impact on the life of the inheritor.

The decedent Maud Worth, (referred to in the interview as Auntie Maudie) died in 1988, aged 73. According to official statistics Maud's occupation was described as spinster. She had spent her later years looking after her parents. Maud had three brothers all of whom were deceased when she died. Maud was born in Blenheim where her father had practised veterinary surgery and according to her niece Maureen, Maud was extremely fond of animals.

Maud Worth owned a suburban flat in Christchurch which she had purchased in 1981 for \$20,000, including \$1,000 for chattels. In 1989 the flat sold for \$45,000, including \$3,000 for chattels. The July 1989 Government Valuation of the flat was \$43,000. Maud's will was written approximately 18 months before her death. In it she left the bulk of her estate to her nieces Maureen Mulroney, the subject of this interview, and her sister Sandra Worth, who lived in Australia. Small bequests were made to Maureen's three children and Edward, Maud's brother who died in the year between the time Maud made her will and her death. Maud's will also contained the following bequest:

I give, devise and bequeath the sum of five thousand five hundred dollars (\$5,500) to my neighbours and friends Albert Rogers of Christchurch, retired and Faith Rogers of Christchurch, his wife in recognition of their friendship and assistance to me over the years.

Maureen and her husband Don were the executors of Maud's will.

I interviewed Maud's niece Maureen Mulroney at her home. Maureen is in her early forties, married to a business executive and the mother of three children, two of whom are at university and one at primary school. Maureen does not work in paid employment and indicated that she had no desire to do so. She described herself as not being overly concerned with material goods like clothes and cars and very contented with her material circumstances, almost to the extent that she too much materially.

During the interview Maureen made frequent reference to her husband Don and his opinions and early on in the interview referred to Don's experience of inheritance and how this had influenced his opinions on the subject.

Maureen: My husband came from a background where his mother was on her own, right. The father died when they were very young and she had four children and a farm that she had to run. She couldn't sell it because it wasn't hers because it was left to the children. That's where my husband gets his ideas from. He's felt sorry for his mother all his life because she had that tied around her neck. The other boy had to farm, he was running it because my husband wasn't interested in that type of work, but then he was borrowing to improve the place and he got to the stage when something happened to the Rural Bank when they put up their interest rates and of course he'd borrowed so heavily he couldn't even afford then to start paying back the money he had borrowed plus the interest. So he was virtually paying the interest back. Well now that farm has had to be sold, so that was the end of the inheritance. And you know had things been left as they were the four children would have

inherited a quarter of that farm each. So Don missed out on an awful lot of land because it was a large farm.

Ann: That's an interesting point because when people write wills they often try to take account of what could happen in the future but what you've pointed to is the unintended consequence of the action of the person who wrote the will.

Maureen: Yes that wasn't Don's father's intention in the first place. He wanted the farm to stay in the family, his four children and of course when he wrote his will I guess he wanted the farm to carry on the family name and why he didn't leave it to his wife, I mean I can't question that. But now my husband's making sure he uses his money and spends it. To hang leaving it to anybody else. That's his attitude. You know well perhaps he is right to a certain extent. You know I don't believe in saving and worrying about the future. I mean I think children will sort of take care of themselves.

It was clear from the interview that Maureen was very fond of her aunt. She described Maud and the relationship she had with her as follows:

Maureen: She was single. She used to think a lot of my sister and myself. She didn't have any children and she just idealised us. We were the only grandchildren to my grandmother, us and my brother, but she never liked boys. She had three brothers ... so that sort of eliminated my brother from anything, not that he had any contact with her anyway. She was my father's sister and the last on that side. Everybody else was dead. See my father died and my other two uncles they died, so she was the only connection I had with that side of the family that I know. That's why I didn't really want to lose her.

Ann: So did you have a close relationship with her?

Maureen: Oh yes, we spent our holidays, every, even as children, up here in Christchurch with them because she lived with my grandmother and you know we used to look forward to that. She was quite a close family member. And we were the favourites because we were the only ones in the family that she had and we got on well except with this thing with my brother that she, he didn't make any contact with her so she didn't bother. I used to go over quite regularly and meet her every week in town. And she was up there in the hospital on the day my son was born.

(...)

We didn't expect her to die. We were thinking she'd make it until she was in her nineties like her mother did, but apparently she had a heart defect and she died on the day before her 73rd birthday and I think in fact it was the stress of her birthday coming up and we were all going to have a big party over at her place. I had made the cake and the presents and you know all her neighbours were ready for this and she died that night.

Ann: Did you know you were going to inherit from your aunt?

Maureen: She always told me, yes. She'd say when I pop it I'm leaving you what I've got and Sandy. She did, but I said look Auntie Maudie, you know you're not... I used to feel quite morbid listening to her talking this way and you know I just don't like talking about death. I mean life is to be lived and never mind what happens in the hereafter sort of thing. ... She used to quite often speak about it and I said you'll see your grandmother's age you know, stop worrying about it, stop talking about it. Maybe she knew more than I did you know that she wasn't well.

Ann: When you knew you were going to get an inheritance did you think about what you would do with it?

Maureen: No I knew it wasn't going to be very much. I knew it was just going to be a few thousand. In fact I really didn't know how much those little houses were worth. And no, well I never really needed the money. Don earns a good salary and what I want I get. So money wasn't really a factor at all. I mean you know I would rather she was still living to be quite honest. I mean she was a lot of fun and we would have a chat and if I had a problem or she had something to tell me we were on the phone and we would have a good old laugh. She was that sort of person.

As her share of the estate Maureen received \$24,000 which she put into bonus bonds. When I asked her if receiving the inheritance had had any impact on her she replied, "None at all really". Maureen already had a very elegant, near new house, new cars and had she wanted to, could have travelled with her husband when he was away on business. It was almost as though she did not know what to do with the money. It was not even that Maureen had put the inheritance away for 'a rainy day' as some people do because her circumstances meant that rainy days had already been catered for. Yet Maureen still derived pleasure from the fact that she had put the money away.

Ann: You said you'd put the money into bonus bonds

Maureen: Well what else was I going to do with it? (laugh). Well I sort of said to Don, well look, we'll reduce our mortgage, or I could have said we'll splash out on another new car, but I can't see the point of having another one. But every family situation is different and Don's got a good position, he's well paid and I'm not a person really that wants to socialise. I mean I'm happy in my own back yard, doing what I should be doing. Well every month I get a cheque for \$25 or \$50. Well I guess you know it's just there, but it's only what \$24,000 I got so there's not really much you can do with that. You know to me it's not a big sum of money. I suppose to somebody poor it would be a lot of money, but I mean for my husband that's only three months work. And I never wanted to spend it. In fact I

don't even really think about it. Except every now and then you know a cheque will come perhaps every month, maybe I might miss a month. And that to me is just a thrill of getting like a lottery, but I never buy lotteries but I suppose it's the same feeling ...

Maud Worth's will stipulated that Maureen receive all the household goods, excluding the car so I asked her what she had done with these goods after her aunt's death.

Maureen: Yes I sold those with the house because the man that bought the place he needed furniture too, so he was more than happy to take over the fridge. I did ask my sister if there was anything she needed over there and she didn't want anything but she said she would like a few sentimental bits and pieces, so we parcelled those up, just crockery and knick knacks and things like that. And I kept a few too. You know we sorted them out between ourselves and although you know she said they were mine, but we're not that sort of people, we're not going to argue over one stupid little vase like other people do.

Maureen's comment that she and her sister were not the sort of people who argue over an inheritance was interesting in light of the fact that she told me a number of stories to do with conflict over inheritance within her family. The purpose of including these anecdotes is that they demonstrate moral attitudes regarding acceptable and nonacceptable inheritance behaviour. Maureen's first story was about the bad feeling between her Aunt Maud and one of her aunt's brothers that developed when it was found that Maud was the sole beneficiary of her own mother's will. The will recognised Maud's role in looking after her parents all her life and is a classic example of the maiden aunt who inherited all her parents' estate in recognition for services rendered. The will was accepted by Maureen's father as appropriate but not by Maud's other brother.

Maureen: My aunt got everything from her mother and my father and my uncle were still alive but my father was married and he had his life right and my uncle he was single, but he had a good working job

and of course my grandmother felt well my aunty had stayed home all her life and looked after her. Sure they didn't get on all the time but most of the time they got along and she did a lot for my grandmother. She took her out every Sunday for a drive and of course grandmother was quite old when she got married so you know she had her virtually an old lady from the time my aunt was about thirty. And Mum said, well she deserves what grandmother gives her and my father never disputed that, although my Uncle Jack did. And that's where the friction came in between the brother and the sister you see because he wasn't married and he should have got half and he held that over my aunt and that is where the split came.

Maureen's second story related to the bequest in her aunt's will of \$5,500 to her neighbours 'in recognition of their friendship and assistance ... over the years'. Maureen's understanding was that the money left to the neighbours to ensure that they look after Maud's cat. Maureen recounted the story as follows:

Maureen: This particular neighbour, in fact my husband used to say he didn't like her, she was just too pushy. I don't judge people on first meetings but he does and anyway he was right. She left money to this neighbour but it was to look after my aunty's cat. I mean they were great animal lovers, you know this family and well her father was a vet so I guess it's always been there. And I'm not sure if it was \$8,000 or \$10,000. I'm not sure of the exact figure, I've completely forgotten but it was to look after the cat if she died. And the neighbour said she would. And Sandy, my sister she wanted the cat too. And I said to her well you'll have to come to New Zealand to collect it and put it in quarantine. I'll do it she said, I'll do it. So she came over and we went around this day to get the cat and the lady said, oh it's not here. She said I've sent it over to the Coast to some relatives. And I said but you're supposed to be looking after it, that's why you were left the money, it was to look after the cat. Now we have never seen the cat to this day and just through hearsay

other neighbours said she'd had it put down. And Sandy said you know that was a connection we would have had. I could have had the cat, because it was only young, it was only about three, she said. It could have lived for another fifteen years she said and that would have been ... and you know she was really upset about it. She wanted the cat, and it had nothing to do with the money, to hell with the money. She would have taken it to Australia. She said I don't care if I have to pay the air fare and the quarantine she said I just want that cat. She said we've got a stray here and I'm feeding it but this would have been part of my aunt. And you know that woman has seen me in shops now. She used to make such a fuss you have no idea. That's what put Don off. She was just too, she was trying to let my aunt know how much she loved us and all that sort of thing. And she really conned, as Don said, she conned her into leaving her some money. Oh he could see that but I didn't take any notice. No, I said, you know she has left it to her to look after the cat. That's fair you know, she could have left her the lot if she'd wanted to because I knew how much she used to donate, lots you know, cash to animal societies or whatever they are the SPCA and things like that. But then I saw the other side of the neighbour that my husband actually picked up the first day he met her. He said you know I wouldn't trust her, I don't like her.

The same neighbour figured in another of Maureen's stories. I think this story fascinating because of the construction that Maureen has put on her own position and emotional state as one of deep shock, in contrast to the way she constructs the neighbour as cunning and plotting and ready to take advantage of the aunt's death to benefit materially more than she 'ought'.

Maureen: Now talking about little bits and pieces in the house, she left me the furniture to dispose of it, to do what I liked. So I actually left everything in the flat, but this one neighbour, the same one, she was through my aunty's drawers the day I had to go around and identify the body, right. And she was there with me and that was fair

enough and when the policeman left and the undertakers arrived to take her body away, I mean I was in quite a state, I mean I was just so shocked, my mind was just completely, it went blank, and I just couldn't think. I didn't even think she was dead, I thought she was just sleeping. She looked quite peaceful, in fact she was even warm because her electric blanket was still on. And you know I really said, you know are you sure she's dead? Well this woman as soon as they had all gone, she was going through her drawers and I said what are you looking for. And she said, I had some stockings I gave your aunt for her birthday, I might as well take them. But Don said she had a bag, because I didn't see, he was watching. And he said she took a lot of stuff out of that and she came back later on and she said she's got some money in the bank too she said. And I thought to myself, Aunty Maudie I only hope is up there watching down on this woman. Oh it was dreadful, she was just you know going through everything, just seeing what ... the nosey old so and so. No wonder she won't speak to me now and then of course she asked me, what are you doing with the television? And I said I don't know and she said ours is on the blink could we have it? Yes I said take it. So she took it and then she came in and she said she wanted the kettle. Our kettle she said, Maud bought that just a few months ago she said you know she said I could have it. And then she said, oh what else was there? There were several things that, she was asking for and I just kept saying take it, I mean I was in such a, you know I didn't know what I was doing. Well I wasn't in any state. But I made a big mistake because my grandmother actually had this beautiful big vase thing. It used to, well there was a pair of them and they used to stand very featured in her lounge and my sister wanted those and of course I had given them away too. I didn't even know I had done it. And they were in the neighbour's house and she wouldn't let Sandy in.

A further story Maureen related was a 'death bed' story which involved her uncle and what she understood as the advantage that was taken of him on his death bed. The

story involved a woman who had once been engaged to the uncle, and had re-established the relationship towards the end of his life in order that she benefit from the will.

Maureen: There was this other lady Mag, too who was engaged to my uncle, way back during the War years but they had split up. But my Auntie Maudie kept friendly with this woman. And you know I think she was hoping she would get, well she actually got all my uncle's money.

Ann: And he was single too?

Maureen: Yes he was single. She'd turned him down and married someone else. And yet when he was dying of cancer, and she was a nurse, and she made such a fuss of him, and she was running backwards and forwards and doing everything for him and drawing out his money. And he was blind too because he had diabetes and he had lost his sight. And she said she wasn't doing this for nothing she said and she had the lawyer there in the hospital so he'd change his will. And my auntie, well they didn't have much to do with one another, but then when my uncle became sick my auntie did everything for him too. You know you saw the other side of her and she was in tears. She used to ring me up and say how sick he was and could we go up and visit him and she was there. Anything he wanted she was there with it. Of course Mag got on the bandwagon then and took over you see. But in the papers that my auntie had got from his house was his old will, everything that had been left by my uncle originally was left to Sandy and myself, all his money and stuff. But of course Mag got that lawyer up and my aunt said, I know there is something up she said. Mag was trying to get me out of that hospital room, she said and she had this guy with her. She said I don't know who he was, she said but I had a feeling he was a lawyer. And my uncle I mean he was virtually dead. He was on morphine and he made another will. So my aunt was, I

said, don't worry about it Auntie Maudie, look Sandy and I don't really care about money, we don't look at it as a god. But it's an ethical thing. So that was that so then of course Mag got all that.

Ann: How long before he died did he change his will?

Maureen: Oh, just before he died, probably a few weeks, could have been a month.

Ann: Was it clear he was dying?

Maureen: Oh it was obvious and my aunty heard her say, you don't think I'm doing this for nothing, she said. You remember me and what I've done. Yes and then she had the lawyer up, it's unbelievable. And then she had started on my aunt too. She actually ran Sandy and I down to my aunt so much that my aunty you know she just couldn't believe it. But she never got the will {Aunt Maud's will} and she was there at the funeral and she said to me I want that vase up there. She looked at me. That was the big ornament and I said, oh yes I'll see about it, no it was after the funeral and I was thinking a lot clearer then and she asked for it and I said, I'll see because I could really see what Mag was doing, but I couldn't see that about the neighbour at the time because I didn't know her so well. So she never ever got the vase, still sitting up there in my lounge and I've never heard another word from her.

Maureen herself has not made a will despite the insistence of both her husband and her lawyer. It might be that she hasn't made a will because the action of making a will recognises mortality and on a number of occasions during the interview Maureen indicated that death is something she did not want to think about.

Maureen: No, I know I should make a will, that's what my husband keeps saying. Even the lawyer said this, you've got to make a will. My husband's got a will you see and I said, I'll get around to it. I don't know how it's worded but he updated it when we moved here, three

years ago. Well I guess that is something I never sort of think about, dying. I think, well they'll have to fight it out themselves. But everything is in joint ownership and I'll go along with his ideas, after all he is my husband so I can't change things around. He's planning now when he retires he wants to go to Australia and have a place over there and spend the winters and we will get a cheaper place here and he is talking about having a boat. We've just been to Australia and had a look around. Well we came back last weekend and he said well this isn't living. And he said he is going to enjoy the rest of his years and that's his attitude and he said you can or not. Please yourself and that's the way it is.

Interview 4: Bob Reynolds

Bob's mother Marjorie Reynolds died in 1989, aged 83. Marjorie was born in Liverpool, England, the daughter of a printing compositor. In 1930 at the age of 26, Marjorie married Gordon Reynolds. She and Gordon had one child, Bob. In 1942 Gordon Reynolds bought the house that Marjorie lived in for the rest of her life and brought up her son Bob in. After Gordon's death in 1951 the house was transmitted to Marjorie. At her death Marjorie had lived in the same house for 47 years and as her son Bob explained, was very emotionally attached to it. For most of her married life Marjorie worked as a solicitor's clerk and continued in that occupation after her husband's death and on until her retirement.

Marjorie's will was written in 1980. In it Marjorie named her son Bob and the family solicitor as executors. With the exception of jewellery and personal effects which she left to Bob's wife Yvette, Marjorie left her entire estate to Bob. The estate was made up almost entirely of the house, contents and Marjorie's personal possessions. In 1991 the house was ostensibly sold to Bob's son Mark, for \$100,000. In fact no money changed hands. According to Bob the sale was merely a paper contract undertaken to ensure that the government could have no claim on the house. The 1989 government valuation of Marjorie's house was \$74,000.

When I interviewed Bob, he had recently retired from a managerial position with a large national engineering company. Bob had trained in his younger days as a fitter and turner, but by the latter part of his working life he left his trade behind and had risen within the management ranks of the company. At the time of the interview Bob was aged 61. He and Yvette lived in a new, very attractive house in a high priced housing estate in Christchurch. They had two married sons, an unmarried daughter and were the grandparents of three and the expectant grandparents of another.

The ideas expressed in this interview clearly highlight some of the current New Zealand debates surrounding health care charges for the elderly. During the course of the interview Bob argued forcefully for the right of the elderly to be able to pass on to their families what he considered to be the rightful fruits of their labour. The interview also highlights the way that the state's policy of subsidising hospital care for the geriatric ensured that intergenerational inheritance could occur. It also

underscores the enormous sense of antagonism that is felt when radical policies are implemented such as those that support user pays in areas that for decades had been state supported.

In the sociology of housing there is much written about the sense of ontological security that is afforded by home ownership (see Chapter 1). In this interview clear expression is given to such views when Bob talks about his mother's attachment to her house.

Bob: Well inheritance to me actually came about by accident, or in circumstances that hadn't been planned. What actually happened was that I was the only child. My father died forty odd years ago and my Mum, got to the stage where she had to go into a home for twenty four hour hospital care because she was completely immobile. So I sort of, well my natural reaction was I just said to her oh well, we'd better sell the house and do things like that. But she said to me no, I don't want that house sold. And I said why not? And she said, well I want to feel that I have still got a home and I've still got roots and I've got something to fall back on. I just don't want to be put in here, I know I've got to go here, she didn't argue about that. But I just don't want to feel as though everything is whipped out from under me and I've got nothing. She knew she'd never go back to it, but I said okay, I can understand that. I can understand her reasoning. I do understand that there's often a sense of obligation with old people but I do honestly think that with her, she was very, very adamant that when it did happen and she had to leave her home, she did not want that home sold and she never mentioned it as far as I don't want it sold because I want you to have it, but I don't want it sold because I always want to know that I have my home. And I can appreciate what she is saying. I could understand how she thought. She just didn't want to feel as though she'd been whipped out of her home, it had all gone and she was put in a hospital situation and thinking I've just got nowhere to go. She knew she would never get out of it, but she always got a lot of

strength and satisfaction from the fact that she still had a home. What I'm really saying is that with her, it gave her a sense of, an inner sense of security and well-being, if I put it the right way?

A significant proportion of inheritors of housing wealth would be in a position similar to Bob's of receiving their inheritance at a stage in their lives when they were already financially secure and felt they had no real need of the money. As an only child Bob was well aware of the fact he would inherit. It was something his mother often referred to in terms of 'one day it would all be his', but for Bob the prospect of inheritance was not something he banked on.

Bob: Well she loved her home and she'd had it for 40 odd years ... well she used to say to me oh it'll be yours one day and that was that. But I mean I was in a financial position where whether I got it or not was of minor consequence to me. ... Like I mean I didn't, I had done my thing in my life and I certainly wasn't sitting back waiting for my parent to die so I could pick up x amount of dollars. It didn't worry me two hoots. But yes, she mentioned, she used to say, because I used to do everything for her as regard all her financial stuff and all that sort of jazz, and she used to say, well you know it'll be yours, but yes I knew it would be mine.

Bob's mother was able to keep her house from being sold and Bob was able to inherit because at the time when Marjorie was in full time hospital care, geriatric hospital patients were income not asset tested. This meant that at the time when Marjorie went into a nursing home for full care a proportion of her income went to the Hospital Board, but her assets remained intact. The difference between the actual cost of her care and the amount she paid from her income was made up by a grant from the Hospital Board. Marjorie's income consisted of her government superannuation and the rent from her house. Bob observed that at one stage it was costing \$2,300 a month for his mother's nursing home fees. Rent from her modest home and her superannuation still left a shortfall of at least \$1,000 a month that the health care system then subsidised.

Bob: So when she had to go into the home I said the only thing is to rent it, we'll rent the place. And that rent paid a big amount of her keep plus her pension, plus some money she had. But then it got to the stage where it was \$2,300 a month was the bill for 24 hour care. So I went to the Hospital Board, well the people at the old people's home steered me in that direction, and by putting over all her financial business, her income and everything like that, they then granted her a subsidy so she had to, there was a pension, the income from the rent of her house and they allowed so much for maintenance, a set amount I think \$500 a year, so they allowed us sort of expenses for her house and whatever and then they looked at what she got and they balanced it up with a subsidy, so that's really how the inheritance came as such.

Ann: That's interesting how it was organised. How much was the subsidy?

Bob: Well initially, they subsidised her initially at the rate of about \$400 a month, I think it was. But as every, as the increases came it never worried us because the Hospital Board picked up every increase that came along. So you initially got a subsidy that they considered was at the right level at the time you applied but as the increase came in the charges for her keep, or care and attention, well then the Hospital Board picked up all the increases which kept the ratio right.

Part of the issue of means testing for the elderly in full time care is the argument that subsidies allow for inheritance. From this perspective the question is asked of why should the state (sometimes conceptualised as those in the work force paying taxes) pay for the care of people who have sufficient means to pay for themselves, even if this necessitates selling assets such as houses. The other side of the argument, and the side articulated by Bob in this interview, is embedded in the notion that there has been an implicit social contract between New Zealanders and the state which promises certain kinds of support in return for certain kinds of behaviours. In Bob's view these behaviours were about contributing to the community through paying taxes and

bringing up a family. The deserved outcome of these behaviours for the elderly was payment for their health care in old age. This position, frequently linked to inheritance, is stated as follows: after a life of contribution and hard work to build up an estate in order to have something to hand onto one's children, the state has no right to strip the elderly of the fruits of their hard labour. They are being punished for being thrifty, hard working and successful. Inheritance is strongly justified in this position because of the deserving behaviour of the decedent.

Bob's argument took this position one step further when he claimed that the financial success he and his wife enjoyed was actually a 'family success' to which his children had also contributed. They too had worked hard, had done well in their lives and had not got into trouble and therefore deserved to share in the family's rewards. They were the deserving recipients of a future inheritance.

Bob: Well I'm all for leaving an inheritance. I vigorously object to the fact that I have worked hard and used my nut all my life and I have worked bloody hard in my life time, I mean long, long hours and you know. When we started off our married life, I mean, you know we had nothing and you know it's only in recent years that I became a high earner, because I mean I've always been a tradesman. Like I was a fitter and turner by trade, started off as a fitter and turner and always stayed in the engineering trade, but just got into a different field.

Ann: So did you end up in administration?

Bob: Yes a sort of middle management type position. But yes we struggled like everyone else in those days for money and it was only you know I suppose in the last ten years before we retired that all of a sudden it seemed to come right. The kids got off our hands and all of a sudden it just, the salary had become quite ginormous by my standards. But all those things over all those years and then all of a sudden, whoop, everything came right, so yes I think most people know what it's like to scratch for money in the early days when they're starting up a family and that, and when you get older you appreciate that sense, you build up for that I think. You build up

your assets to give you that sense of security and then when you've got it it's nice. But I object to the fact of, ah the government screwing everything out of me at the end of the day. I feel that as I work I pay my taxes and I pay heaps of them, or have paid heaps of them up until now. Now just because the government can't manage their finances to do something in later life for old people, it's not my problem. To me it's just sheer mismanagement on their part. In other words what I'm saying is it's a proven fact, you know, when I started and I'm not getting on a band wagon, but when I started working I paid 1s 6d in the pound to Social Security for my old age and that was what it was for, but in 1964 or something they decided to dump it all into the Consolidated Fund and they lost it. They spent it on something else. I can remember my old Mum used to have tins in the cupboard and one tin had the money for the milkman and one tin had the money for the coalman and one tin had the money for the paperman and so forth. So I object to paying tax into successive governments which haven't got the ability to channel amounts of money into health, education and retirement, which I think, well health and education are the two most important things in this country. And I thoroughly object to this system of having to pay for your health and pay for your education. I think it stinks. I think it's a right of every New Zealander to have that facility there and I think that taxes that generation after generation are paying should be channelled into those things.

You see the other thing that makes me bitter is that, it just makes me angry I mean, I'm the fortunate one you know. My wife and I are fortunate people, but having said all that, they're hell bent if you've got it they want to take it off you. You know if you receive the GRI then they have other things like surcharges and surtax, whereas a person over 60 if they've got a bit more income, then there's a special tax put on them where they pay another 25 cents in the dollar on top of the 33 cents which is the top limit for the likes of

you, the worker you see. So they have a special tax for old people with money and at the same time they're flat out telling people how they have got to save for their retirement under the system that is starting to crop up now. Save flat out and you've got to spend it all and if you don't get it spent we'll take it off you in any case. So back to the original question, if my wife and I and our family have worked hard to get what we've got, paid our taxes and whatever, yes I don't see why my kids who have been part of our success in life, you know our kids, they've been good kids, they're all doing well and I mean we didn't have the police knocking on the door every day and rushing them through the courts every week and they weren't on drugs and all this sort of jazz. So they've been part of our success you know. If we had had all those hassles you know we wouldn't have been so successful. So the kids are part of it so why shouldn't they get ... I don't mean well done from our point of view but what I really mean is the kids have been part of the family and the way the kids have gone through their growing up period affects the family. Well why shouldn't they share in what they've really been part of? So I'm all for inheritance.

Bob's position highlights issues of fairness and equity in the debate around asset testing. His belief is that under the present system people can be penalised for building up assets. His argument is that financially one might be better off to be profligate and spend all one earned and then rely on the state to pick up the costs often associated with old age like full time care.

Bob's strong sense of the importance of the family is brought out in his following comment on family continuity and lineage. The comment also illustrates that for Bob, lineage is gendered.

Ann: Well I wanted to ask you about the notion of family continuity and lineage and in a sense you expressed that in your last comment.

Bob: Oh I believe in family continuity and lineage and I think that you know our last grandchild, about seven months ago was a boy, we've

got three grandchildren with another one on the way and ah, underneath it all I was quite rapt about it because you know I thought there's another Reynolds for another generation, you know sort of style. Yes I think not about the inheritance side of it but the lineage is something that most families if they're sort of proud families and caring families and all that sort of thing, I think they like to see it carry on. I do, well we were lucky really. Yvette and I had a couple of boys and that was nice, and now there is one grandson and hopefully there might be more, but the granddaughters are gorgeous so, you know what I mean ...

Bob's response to the question of equality amongst the beneficiaries of inheritance was typical of the responses of many people I interviewed. On the one hand there is a belief in the testator's right to freedom and on the other a notion that a parent's estate should be equally divided among the children. Most people do not pick up the contradiction¹ between the two positions, but like Bob, think about the issue in terms of particularities. In other words a belief in one or other position is often qualified in terms of 'it depends on the circumstances'.

Bob: Well I think that you have to take the circumstances into account.

For arguments sake, if you had parents that were living with one of the children, like the daughter or the son, doesn't matter, whatever and lived with them for the last say ten years of their life and were checked and looked after and all that, as an example, I don't see any, I think it would make more sense to me that if that parent wished to leave more to that child that had looked after them I can't see a problem. And I should think that the rest of the family would be reasonable enough to understand why there was perhaps an uneven gifting. In other words the one that had given all the care got more than the other that didn't. Yes to me that's a very sensible and proper thing to do but like I say it depends on the circumstances. If it came down to a lot of bloody mindedness whereas I don't like him as much as I like her or whatever, I don't really think that's right, but then again you'd have to be in that sort of situation. Fortunately we're a family that gets on well but I came from a family that fought

and I always said when we were married that I'm not going to have any fighting and squabbling ever. I've seen enough of it, I don't want anything to do with it. I have uncles and cousins and aunts that I never hardly knew because of scrapping and fighting and grandparents, oh shocking. So we've never been like that.

According to Bob, receiving an inheritance has had almost no impact on him financially. He did not need the inheritance. In fact he described it as 'a financial embarrassment' had he cashed it in. On paper Bob 'sold' the house to his son for the sum of \$100,000. This meant nothing more than changing the name on the Certificate of Title and was intended as a tactic to avoid the possibility of taxation.

Ann: What did you do with the inheritance?

Bob: Well we kept it like it is. We didn't sell it or anything, but you know the way the government is at the moment. Well we've just done a lot of juggling with ownership and things like that, changing into other family names which is quite legal so we have done it that way but it's still in the family. But the reason why it was kept was because well, we had no, I mean if at that time if I'd sold it and picked up \$100,000 you know it might sound a bit stupid but what was I going to do with it. What were we going to do with it? We've already got a house over in the Bays and I retired exceptionally well from the company I worked for many, many years. So you know what was I going to do with it? I mean we go, keep going round and round the world, do you know what I mean? We do what we want. I'm not saying we're loaded but the fact of the matter was that under the present system it would have been an embarrassment if I'd cashed in on it. The government would have looked at some way of taking it off me again. I would have had to invest the money, I would have had to do something with it, I mean the ratbag system they've got for retired people with money. Who wants to put money up front now? (laughter) You're bloody mad, you're crazy. So you're best to leave it in an asset or if you like nice paintings, go out and spend \$100,000 on a Matisse or something. That's my

argument. But there was very little, because the only thing I got was my Dad's grandfather clock out there which is away being repaired at the moment. But all the household goods were sold when Mum went into the home when the house was rented. There were one or two little bits and pieces that she wanted the kids to have but no, nothing of value, basically the house

Ann: And if you'd won say the same amount, \$100,000 in Lotto would you have done anything different with it?

Bob: No I don't think I would have. Money is money and I think you just, I think you spend it at the time depending on your needs or your wants. I think it depends on the position you're in. Yes I think it's entirely the stage you are in your life when that money comes up as to how you would use it. I know that say 20 years before that I would have thought oh, crikey, I would have had a million things to do with it, but when it did come I really didn't have a hell of a lot to do with it.

(...)

Ann: And do you have a will? And does your wife have a will?

Bob: Yes they're both the same. Everything goes to the kids in equal portions, and it's very simple and if the kids die before we do then their portion goes to their kids.

Ann: But I presume the first part of the will is making provision for the other spouse.

Bob: Oh yes, sure, everything goes to Yvette, yes and vice versa. But because everything is joint there is no, like all the property is joint and any money invested is all joint, yes.

Ann: Have you made any special provision for mementoes, things like engagement rings and that sort of thing?

Bob: No because that sort of thing has always been in my family. And I know in Yvette's family it's always been done by word of mouth. In other words, like she is the same as me, both her parents are dead and her mum was the same with her, you know you're my daughter and I want you to have that and that and that whatever. We haven't gone into it in big detail, but done by word of mouth rather than put on paper. Definitely not been put down on paper.

Ann: Have you talked to your kids about your wills?

Bob: Oh they know we've made a will ... I've often said to the kids you'll get one freehold property, well in fact they've got one already which is over at the Bay. They'll probably get this one, I don't know. But once again their attitude is like mine, that they're doing all right. They, ah, I wouldn't like to think that my kids were sitting there counting up the dollars (laughter) and waiting for us to pop off and thinking about what they're going to get. I mean I never did, I honestly didn't. I knew in later years I was going to get the house, but I mean it was no big deal, I mean I was doing my thing and I was never relying on anything else.

Ann: So inheritance wasn't something you banked on?

Bob: No. No definitely not. No, and you know, my kids, I know, have got the same attitude. I mean one boy is exceptionally well off already, but he works hard and he deserves every halfpenny he gets. But he always says he'll retire at 40. Whether or not he will I don't know, but you know he's doing well through his own hard yakker, and the other boy, he too works very, very long and hard and he's doing good. My daughter is, you know, she's got a good job in Wellington. So I don't, I wouldn't like to think that they were sitting there waiting for what they'd get. We don't really see any need to discuss it, I mean I would like to think that if there was nothing there it wouldn't worry them, just as much as if there was something there.

But they've already got one property which is the one in the Bays,
the holiday home, which is what they wanted ...

Interview 5: Barbara London

A retired civil servant and widower, Alfred Brewer died in 1989 at the age of 77. Alfred, the son of a blacksmith, had been born in Thames. He was married at the age of 25 and had six children, five daughters and a son. At the time of his death Alfred had owned a house in a middle class suburb of Christchurch, which he had lived in for the last 25 years of his life. The house was sold in 1989 for \$125,000. Alfred's will, which was written in 1975, was handled by the Public Trust, with Alfred's oldest daughter Barbara London and a son in law, the husband of his second youngest daughter acting as advisory trustees. Alfred's will stipulated that his estate should be divided equally among his six children.

I interviewed Barbara London at her home in Christchurch. Barbara who is aged 51, works as a psychotherapist, is active in community work and married to a scientist, Rob. She has one child from a previous marriage and three from her present marriage.

During the interview we talked about the idea that people of Alfred's generation generally felt that leaving an inheritance to their children was very important, but that such an attitude might be changing among middle aged and younger people. Barbara said she and her husband had taken out an insurance policy to cover the costs of putting their youngest child through university, so when the time came the financial drain on them would be minimised. She also indicated that while she felt a strong sense of obligation to put her children through university, once that was accomplished the obligation was fulfilled.

Barbara: I feel I've done the same with my three older, I have three older children that have gone through varsity, no the youngest one is just going through now and doing a masters, but I feel that once, you know, any further expense, well you know is nil really. I've given them a lot of money in getting them through and getting them through a university degree, that I feel I've done my bit and now it's up to them really.

Barbara did say that her father helped pay for the education of one of her children but did not consider there was a problem of equitable treatment between that child and grandchildren from other families because it was education that was involved. The implication was that education was sufficiently important to override concerns of equity.

Barbara: My father actually gave my daughter, my oldest daughter, money to get through university before he died, so that's part of the money I suppose that should have gone into the estate, but he gave money to my children partly because they were pursuing a university degree.

Ann: And were there other grandchildren who weren't?

Barbara: Well mine were the only grandchildren that went through and graduated with degrees, so you know he was particularly keen about paying for the children who wanted to make an effort to get a better education, so he paid for them more than he paid for the other grandchildren.

Barbara's explanation for what she perceived as a changing attitude to the obligation of inheritance was that it reflected changes in attitude towards spending. Thrift was no longer as strong in her generation as it had been in her father's generation.

Barbara: I think the feeling of obligation is changing with our generation but I don't think it was changing in my father's generation. They were more concerned with passing money on to their children and saving their money so that their children would have something when they died you know. I think they did save up so that they would have a good little nest egg when they died to give to their children. They felt a bit guilty about spending that really. I think my father was actually a particularly, well typical of his generation really and I think that by the time he died in spite of having a large family he had saved about \$500,000.

Barbara said that her father was able to amass an estate of such value because of the income he received later in his life. She said the real accumulation occurred after he had retired when he was effectively receiving three incomes. He received the national superannuation, had a government superannuation from his work as a civil servant, and had taken on a full time job.

Barbara: You know his total assets totalled nearly \$500,000.

Ann: That's a big estate.

Barbara: That's a substantial estate really. That's counting everything.

Well he was a government servant and when he retired he was actually getting a government superannuation and universal superannuation which was substantial then because that was Rob Muldoon's era and on top of that he actually was working full time after he retired and bringing in a full time wage and he only had himself to look after. So he had three incomes, three full incomes and he just didn't know what to do with the money.

Ann: And probably his needs at that time weren't great.

Barbara: Well he never went anywhere, he didn't do anything. He just saved.

Ann: Was his house freehold?

Barbara: Yes freehold house, just saved all his money and you know that's why he had such a substantial asset by the time he died really.

*Barbara expressed anger when she talked about her father's ability and what she perceived as the ability of people of his generation, to accumulate such large amounts of wealth at a time when she felt she and her husband were struggling on one income to bring up a large family. Her words portrayed the sense of injustice she felt and mirrored the argument outlined in Thomson's *Selfish Generations?* (1991) that the redistribution of wealth achieved by the post-War welfare state has benefited the 'welfare generation' more than any other group. The generation to which Thomson refers is that born between about 1920 and 1945. Thomson's argument is that*

throughout their lives the people of that generation have contributed amounts to the welfare state which represent only a fraction of the benefit they have received. Thomson argues that for later generations, this situation is reversed.

Barbara's version of her father's circumstances strongly support Thomson's thesis, particularly in terms of Alfred's ability to draw on two state supported pensions at the same time as he was holding down a full time paid position. In addition, Barbara saw that her father and people of his generation, had benefited from the welfare state programmes of free health care and education and the Family Benefit.

The important component that explains the way such benefits become accumulated wealth is the savings behaviour of the elderly, shaped as it was by a background of insecurity and upheaval following the Depression and World War II. Coupled with the search for security was the widespread desire on the part of people of Alfred's generation to leave an inheritance (Dupuis and Thorns, 1995b; 1996).

It is a matter of conjecture as to the generalisability of the phenomenon Barbara described, although the theme of parents being able to accumulate in retirement came up in a number of interviews. An interesting aspect of this interview however, is that it presents a somewhat different picture of the stereotypical retired person, surviving on the old age pension, with few assets apart from their own home. With the current emphasis on self reliance and with the state operating as a measure of last resort, it is however, a picture much less likely to be reproduced in the future.

Barbara: I'm angry about his generation being able to accumulate such a large inheritance at the expense of people really. It was my father's generation that seemed to get the best out of the system. They got universal superannuation, the best out of the universal superannuation. They got the best out of the government superannuation scheme. They got the best out of child benefit, school was free, and you know they never had to pay for their medical care, even in old age they never had to pay for medical assistance or medical care, even if they were in a nursing home, you know they didn't usually have to pay so that's another way they saved. I just feel that that generation ripped off the social welfare system really.

Ann: Perhaps not knowingly

Barbara: I think they did knowingly. Well my father used to say well, I'm not entitled to this. He said, I haven't paid into it but I'm going to have it because it's there. Well they never paid into it either. They never paid into you know all that income they were actually receiving, so really I think pulling it off a younger generation which was our generation really and our children you know I feel that that generation owed it to us to give that money to us really. I feel that they should have helped us more when they were alive really rather than when they were dead because I feel that they were actually taking more out of the system than they ever put into it.

These comments reflect a position in opposition to those made in the previous interview by Bob Reynolds who, while older than Barbara, is not the same generation as Alfred. Bob argued that he'd worked hard all his life, paid high taxes and deserved more. In effect, Barbara was arguing that over time it had become harder to do well financially, although easier for her than for her children (despite her claims regarding the high salaries her children were earning). Her notion that it was easier for her than for her children influenced her sense that there was an obligation on her part to leave something to her children. This obligation was not however, strongly stated and was tempered by an idea that she would revisit the issue of inheritance later in her life.

Barbara: I think it's probably been much easier for me than it's going to be for my children and I think that's why we thought it was so important for them to get through and have a good education and I suppose I am, in a sense feeling that I should be accumulating capital too, to pass onto my children when I die.

Ann: And do you feel that's an obligation?

Barbara: I do feel there is an obligation to do that and I've already set out in my will that my children benefit substantially if anything happens to me.

Barbara then talked about two of her children who have been through university and were now in the work force. Barbara claimed that her oldest son who is working overseas earns \$250,000 a year and her daughter who had been working for only a few years had just been offered a job with a salary of \$60,000 plus a car and expenses.

Ann: They'll be set up in no time

Barbara: Well they're earning more money than Rob and I are put together.

Ann: Well doesn't it seem that they can look after themselves and they won't need an inheritance?

Barbara: Well they may not either but I think it's something I'll look into in 10 or 15 years time rather than right now and if, you know they were pinching I guess then I would think about giving them money at that stage. But also I'm using my expertise now to help them invest money wisely. I'm saying that they should be investing in properties and my oldest son has got two properties and my girl, she is just going to buy a property. My youngest son is only 20 and I'm already talking to him about investing in a property, that he should do that now, you know accumulating some assets at an early age. So maybe they won't need it. I think that's something we weren't taught when we were young. No it's something my parents never thought about really. Well never thought to tell their children about anyway, accumulating assets because they never, it was never a great concern to them. Housing wasn't a great concern to them because housing in those days was so cheap.

Like many men his age, Alfred did not talk to his children very much about inheritance.

Barbara: No I don't think he talked about it too much, no, not really no. It's different from my children because I talk about it all the time and I say well look you have to know where my money is and this is where it is and this is where you get all the information. And this is

what I've done and if you want anything in particular you'd better tell me now. So I talk openly about it with my children but my parent's generation didn't. He just was brought up during the Depression and they weren't used to spending money. That was the way his father lived, he thought that he should do that too. His father left behind a substantial property when he died and I guess, and he wasn't spending money, and I guess that they were brought up in an era when they didn't either. And you know years ago when he first retired I was very angry about it because you know Rob and I were struggling along trying to rear four children and trying to make ends meet. And there he was earning three incomes really. And I just thought how unfair it was really that he should be earning three incomes while we were struggling along trying to raise four children with no resources really

Barbara said that her father's estate had been evenly divided among his six children but she said that from time to time he wanted to cut out one or other of his children from his will. In a sense this contradicts her comments about her father not talking to the children much about inheritance. On the other hand, a distinction could be made between talking about the inheritance in terms of estate size and content and talking about who the prospective heirs might be.

Ann: Was the estate evenly distributed?

Barbara: Yes it was evenly distributed but my father frequently was going to change it and I just kept saying to him I don't care what your feelings are about it but I think it would be grossly unfair of you not to give it to each child equally despite what you feel about them so he never got around to changing his will although he certainly said a number of times that he was going to cut one or other of them, but I persuaded him not to and in the end I was one of the trustees of the will so I think probably had greater influence over what he did really. So he didn't, it never happened.

Ann: Yes inheritance can sometimes be used to try to control people's lives

Barbara: Yes, you do as I tell you or else. I don't think I'd do that to my children either, I just feel you're going to create jealousies and problems with your children. So I've tried not to do that with my children. I feel that whatever I personally feel, they should all benefit equally.

In the discussion of the issue of inheritance as a means to controlling the lives of others from beyond the grave I put it forward as a gender issue with men in particular attempting to control the lives and certainly the sexuality of their wives by writing wills in such a way that if the wife remarried she would lose rights to income and residence in the deceased husband's house.

Barbara: It's interesting you should say that because my father was trustee of his own father's will going back a fair while and his mother was allowed to live in the house but had no control over the income or the house at all until she died. I actually frequently said to her that she could have contested the will if she'd wanted to and I would assist her to do so because I thought it was grossly unfair. Just look at the males in the family. There seems to be a tendency for males in the family to think that the property is their property and that the girls, the females in the family shouldn't be entitled to any of the money at all and I found that an uncle that had property that belonged to my father in Auckland, he feels he is entitled to that property and doesn't have to pass it on to us children. And also my brother did the same thing with my father's property. He was living in the house at the time that he died and had one of my sisters come and ask me if I would give up my inheritance to let my brother have the house because I had a house already and that everybody in the family should give their share to the brother. He was homeless really. You can imagine what I said, you can go and get stuffed. I think what tends to happen is wherever there are males in the family generally, and I'm thinking of my own family, where the males tend to get the most because they yell the loudest and they seem to sit on the property and get more of it by trying to sort of

bully other people into giving them more. And I think that certainly happened when my father's mother died. There were two sons and one daughter and the daughter was really deprived of her share of the property by my father and his brother. The strength of two men against one woman. And you know my brother, there is only one of him among a number of girls and he tried to do exactly the same thing. When he was living in my father's house he took control of everything and there were quite a few valuable things in the house, but one thing in particular, there was about, I don't know, six or seven thousand dollars worth of gold sovereigns in the house that never were found and I think he took possession of those. But not only that, there was a gold cup in the house and it was worth quite a bit of money. But anyway he said it had gone missing. I said well look it's a fairly substantial amount that's gone and if it isn't found by tomorrow I'm going to contact the police because I think it's important that we find that piece of property because you know it's depriving all the members of the family of a substantial part of the thing. And about half an hour before I contacted the police I just got a phone call to say that he'd found it. It had been under the bed covers at the bottom of the bed. Well he's not married and has no one to pass it onto or anything like that but he did get down on much more property than anybody else in the house, in the family really because he was there and he just took possession of it, like six or seven thousand dollars worth of gold sovereigns. And there was substantial jewellery that he got down on. I suppose it was worth several thousand. But I mean it would have amounted to probably ten or fifteen thousand dollars more than anybody else and I guess when you divide it amongst the people it wasn't a great deal but it was a great deal more than he was entitled to. And he stayed in the house rent free while they settled up the estate for about six or eight months and that sort of thing you know I just feel it's so unfair. And he felt he was entitled to it because he was the male and if we came near the property we were physically threatened. Oh yes, he

physically threatened anyone who came near the house. He was in charge. I was a trustee actually and I was quite concerned about it.

It seems that Barbara's brother wanted to have her removed from the position of advisory trustee. Barbara said that this did not happen, but if he had tried she would have taken him to court. Barbara also said she was 'grateful' to her father for allowing her to be a trustee but she said she persuaded her father to do so because she said it was really up to him to change the future by allowing girls to have control.

Barbara: The oldest girl. He allowed me to do that, so he did and I'm grateful to him for that, because we'd be in a position of my brother being a trustee. I mean it would have been terrible. I mean everybody would have been deprived of their inheritance because he would have had everybody over a barrel.

Ann: But obviously one of your sisters sided with him.

Barbara: One of the sisters sided with him but only because they were wanting more of the property as well. But I don't think some of the other sisters knew what was going on really. They just sort of went along with it really. But the property isn't settled yet, there's still a substantial part of the property ready to settle up yet. It takes a long time for the property to be actually sold and there's a wee bit more money still in the Public Trust that we're waiting to get out. But I'm not too concerned about it because it's increasing in value while it's there. But I'm not depending on that money at all really. If I get it it's nice and if I don't I don't, but I haven't got it earmarked for anything in particular

In this interview like many others it was indicated that the connection between inheritance and death was so profound that inheritance almost became something that was put aside and not considered.

Barbara: I suppose I didn't think that I would benefit from it in my lifetime because my father's parents lived to such an age that by the time I would have inherited it I would have been 60, you know what I

mean? I just didn't think of Dad dying. I thought he'd last another 10 or 15 years. So I never thought of him dying then.

(...)

Ann: You said earlier that you had investment properties. Did you put your inheritance money into property too?

Barbara: Rental properties, yes, residential properties, flats and houses and I've got four properties at the moment but I'm going to add to my portfolio as time goes on, in addition to my own property. But that's what I've done. I haven't really spent the money, I've actually tried to build on the capital I had already.

Ann: So why didn't you spend it. Why didn't you blow some of it on a big trip or something like that?

Barbara: I just thought I might be better to invest it like that and then it would benefit me in my retirement possibly, but I would also have an asset that I could pass on as well, really and I guess I am looking towards the future because I feel that by the time I get to retirement years there probably won't be very much left in the government coffers and that I'm really going to have to look after myself and I want a substantial asset that keeps on bringing me in income and also allows me to leave a substantial asset behind when I go. So basically I'm sort of killing two birds with one stone really. You know people ask me what I'm going to do for the next ten years and I say I'm going to get rich. (laughter) And you know I think probably if I hadn't put so much time into the community over the last fifteen or twenty years I probably would have had substantially more in assets right now than I've got. So I feel that now's the time to spend that time on myself.

Barbara made sure she got the important personal possessions such as family photographs from the estate. It came through in the interview that as the eldest child

in the family, Barbara felt a sense of responsibility, not only as the advisory trustee, but also as the keeper of the family history.

Barbara: I went around and particularly made sure that I got some of those things that were important to me, things that belonged to my great grandmother and my great, great grandmother and things like that. Things like photographs, but I'd got a lot of those photographs before my mother and father and my grandparents died. In fact I, being the eldest of the family had collected up a lot of that stuff before, long before my parents or my grandparents died. So by the time they died, I really didn't, there wasn't a great deal more I could get although I did get a few more things that did hold sentimental value like postcards and writings and photographs and jewellery I guess that I knew was my grandmothers and books that had been passed on down through generations. I did collect up quite a lot of stuff like that. I was very interested too in following up my family history on all sides.

Interview 6: James Evans

I chose to include this interview as an example of the way the promise of an inheritance can be used to manipulate possible inheritors. In his recounting of the story my respondent claimed the manipulation served only to make him resist the attempts. It is however, common to hear such anecdotes.

The decedent Ruth Evans, a retired school teacher died in 1989 aged 81. Ruth had been born in England. I interviewed her only child James, who described his mother as being from a traditional English upper middle class background, her father being in the British Army. Ruth had married rather late in life at the age of 39. This marriage was short-lived, but produced James. On the break-up of her marriage Ruth came to New Zealand with James who was still a very young child.

In her will, which was written only a month and a half before she died, Ruth left her entire estate to James. The estate was made up primarily of a few thousand dollars, some personal possessions and furniture and a house which in 1989 had a government valuation of \$125,000. Given the superb view the house commanded, its character and location in a hill suburb in the city, it is likely that the market value of the house would have been considerably higher than the government valuation indicated.

I interviewed Ruth's son James Evans, a 47 year old businessman, at this house which he now shares with his partner and her son from a previous relationship. James occupies a flat in the downstairs part of the house and his partner and her son live in the main part of the house. The downstairs flat was built by James' mother after James left home to travel overseas, in the hope that when he returned from his travels he would move back in with her. James has one daughter from a previous relationship but at the time of the interview did not see his child because 'the relationship with the child's mother was too difficult'.

I was interested in finding out how Ruth managed to acquire the house. The Certificate of Title showed that she took possession of it in 1957 and I was curious as to whether it had been difficult for a woman alone to afford such a house. I asked James whether Ruth had come into an inheritance which had helped her finance the property.

Ann: The Certificate of Title shows that your mother had this house for a long time. When did she buy it?

James: She built it when I was about 11, and I'm 47 now so that makes it 36 years ago or something like that.

Ann: To build a house like this she must have been in an unusual position, because even in those days female school teachers weren't necessarily paid a lot of money were they?

James: She wasn't paid very much at all and she didn't have very much money, no. I'm not quite sure how she built it, she just saved it. She was a miser, that's one way of describing it. She literally recorded every sixpence she ever spent. She had these little notebooks and you know there were no luxuries. She saved up for things.

Ann: I guess my question was had she inherited some money that had enabled her to do that?

James: No, none at all.

James had a complicated and complex relationship with his mother. It would be too simplistic to describe it as a love/hate relationship but there were elements of that in it. It was clear that for Ruth, James was the main focus of her life. His explanation of their relationship was that Ruth was a very controlling woman but that he would not allow her to control him, which became a constant source of friction between them. At one stage in James' life he did not see his mother for ten years which indicates the extent of the profound tension between them. In the following excerpt James speaks about his relationship with his mother.

James: I left home at 19 and this was actually built, this flat downstairs in the hope that when I eventually returned from my travels round the world I might come and live here which was a very forlorn hope and I could have told her it was an utter waste of time to even consider it. But consider it she did, and build it she did. So you know, I knew

from before I left there was no way I was ever going to be tied, obliged whatever. I had a certain, rather in a sense a little bit like my mother, duty filled obligation to her at the end of her life. We related on a number of levels. She had a very strong sense of duty if you like. It's got to do with this upper middle class stuff, even in bringing me up. I mean she wasn't, it never really suited her temperament to be a mother. She wasn't a born mother. She did however, love me intensely, very intensely and I became the central focus of her life. But she nonetheless was not a maternal woman by nature, or not in my eyes she wasn't and likewise I'm not what one would call a family man, or a paternal, or a very emotional person myself. I mean people used to say to me you must go back and see your mother, you know what happens if she died. I wouldn't have felt the slightest guilt, ever, at all, period. Nonetheless as she weakened with age I felt some degree of both care and obligation. On one level we could exist as a very close (long pause) couple. You know I used that word, two human beings quite close in many respects and had we been able to continually meet on that basis I would have been perfectly happy having a relationship with her throughout her life. But she could never, ever, ever drop the need to dominate one way or another. She could never resist seeing what was best for me, in her eyes, according to her life, and that was utterly unacceptable to me. And she managed to relieve that thing in her through her relation... she became a sort of an old guru of the post counter culture, you know, bread baking and flour grinding, and get you on to a healthy diet, naturopath that costs nothing type thing and she managed to do a lot of her caring and control. It's not just control, it's also caring. "I know what's best for you" sort of thing. That was the part, it was utterly intolerable to me. So that drove us apart a great deal, so despite the fact that although we did have a close relationship when we met, although it wasn't one that I actually needed personally you know, nonetheless there was one part

of the relationship, the domination or attempted domination and the coldness on my part which was my particular response.

Although James described his mother's need to control as being intolerable to him, the theme of obligation came through very strongly in the interview. However, James' sense of obligation was one based on duty and detachment rather than one based on fondness or love.

James: And in the later years I in fact nursed her or lived in the house at the period when she'd had a fall and couldn't look after herself properly and was in fact dying in the last few months.

Ann: Did you know that she was dying?

James: No I actually thought she would live for a period of one or two years more at that particular time. It was a surprise when she died, at the actual point of death.

Ann: And you were prepared to care for her for the one or two years?

James: Oh yes, indeed.

Ann: So you did have a strong sense of obligation?

James: Yes, a strongly developed sense of obligation, certainly, yes. One of the big differences between my relationship with my mother and my peer group, a very, very marked difference is that they all managed to have a guilt ridden obligation to their parents that they hadn't managed to divorce from what could be called their love or affection from their parents. In my case they were two quite clearly distinct, unrelated things. My duty was my duty that a human being does irrespective of whether anybody else cares tuppence about it or whatever and had nothing to do with guilt. If I didn't live up to those particular things, which I don't always, I don't suffer for it. And they wouldn't ever give honesty back to their parents. They had this what to me was an extraordinarily strange relationship with

parents where they would not tell them “you’re being a mindless idiot” and then they knew nothing of their children’s lives. There were two lives totally separate, so they made their parents senile with what they called love. Well that’s my slightly dramatic way of describing it, but I think they did. (laughter) They cut them away from the human race as it were which is very cruel in my eyes but it wasn’t, not obviously cruel in others. In that way I was brought up in the way a lot of people were brought up following the counter culture, that is I was brought up to be told everything, to wander round the house naked, to ask questions about sex and educate the entire primary school on the issue. Whereas my relationship between my mother was unbelievable to, my first girlfriend was completely blown apart. We would have arguments like a Greek tragedy (laughter) totally saying everything and whatever, yes that’s what they were, they were literally like Greek tragedies.

In part because of the volatile nature of their relationship, for much of his adult life James had no expectation of inheriting from his mother. In fact he asserted he resisted all his mother’s attempts to control or blackmail him over inheritance.

Ann: Being an only child I guess there was always an awareness on your part that you would inherit.

James: No, not on my part and in fact my mother and I didn’t speak with each other for a period of ten years during which time she made a will to somebody else which suited me fine because I never asked for ... I have a great deal of ambivalence towards the whole area of money but that is partially this upbringing. My mother was an extremely moral person. But I still have that particular thing, where there is no way I could do that for money. I would rather honestly sell my body for money than um pander to my mother for an inheritance. (laughter) And she was also inclined in her later years to attach strings either to the relationship or to the house to which I remained utterly indifferent. That was my standpoint.

Ann: What sort of things would she say?

James: Oh she would have liked to have ensured that the house went on, I mean she put a lot of time and effort into making an organic garden and it had never been sprayed and she did that from the very early point of gardening it and she would have liked to have ensured that it would have remained utilised as an organic garden in perpetuity, given the effort she put into it. Well my mother was a very controlling woman by nature, very dominant and she would have overtly accepted a code of human behaviour that would not allow for manipulation or domination and would not excuse it. That didn't stop her actually having the desire to do it, so there is that particular mix there (laughter) and it was part of a whole, she identified very strongly with the sort of polite considerate upper middle class English background sort of thing and to one degree or another that was her. But it was just one part of her that's all. And there was another part that would have, that had the emotional attachment and the wanting to enmesh each other with obligation and control, which I steadfastly refused to play along with.

During the period of estrangement between the two James insisted that his mother had 'her spies' out regularly reporting on his activities. Following this came a period of about five years when they saw each other on a regular weekly basis and then a period of about four months prior to his mother's death when James moved back into the house and nursed his mother. While they were estranged Ruth had made out a will in favour of another woman with whom she had developed something like a mother daughter relationship. James contended that this action was part of his mother's attempts at wielding power and control over him.

James: Early in the period when I saw her once a week, she had kind of adopted a woman like a daughter and without actually disowning the woman, they had gone their own ways. She hadn't in fact seen her for a year or so and the girl, she would have actually driven the girl away to one degree or another, through having written the will to one extent or another because the girl did not in fact want the

will. She didn't feel comfortable in having the will made out to her. She didn't take it terribly seriously which is indeed fair comment. Anyone knowing my mother wouldn't. (laughter) The fact that I wouldn't have spoken to her for ten years still meant that I was both the devil and the greatest thing on earth rolled into one. So you know on her death bed she would sob and gasp and look for a lawyer (laugh) and that was what my mother was like. And this girl didn't take it with a great deal of credibility even though indeed there was a will and had she died obviously she would have inherited it. But you know there for the first year she brought it up every so often that she would change it from, I can't even remember the woman's name, that she would change it from the woman's name into my name and this was kind of expected to arouse some response or interest in me which it didn't. But my mother had that particular whatever it was, very emotional but at the same time very sharp and quite paranoid perhaps even. She would test or whatever you know and she would listen. I don't know if they were always accurate but she certainly wasn't going to be exploited beyond a certain level.

During the discussion over why he had not sold the house after his mother died James' unsentimental, pragmatic attitude re-emerged. James claimed he didn't sell the house because it suited him not to, rather than because he had any sentimental attachment to it.

Ann: Why didn't you sell the house?

James: Yes why didn't I sell it? Um, well I didn't actually, I was in a period of transition when I met Jenny some ten months before or whatever. I sold a factory at that point of time in which I had a flat. I changed my business. I was a manufacturer and I then moved in and lived with Jenny for a period of time in her house and it was during that period, she wanted more space from me anyway and mother needed - both events. Personally it was very convenient that mother needed, began to need more help at that point in time when I was actually

homeless, not strictly speaking. I could have gone on living with Jenny, but it was appropriate to move out. I would have had to flat if I didn't. I thought I would have sold the factory by then and would have been into another situation. All sorts of things were happening about then. I was thinking of assisting Jenny to buy a house or whatever, I don't know it doesn't matter I don't think it's of particular relevance but it did happen to suit at the time. Then when she died it happened to suit Jenny moving in upstairs, so it happened to suit. I've seen it in unsentimental terms.

Ann: So it's not a personal attachment or anything like that?

James: No, I don't have anything in and of itself against attachment, oh how shall I phrase that accurately. I'm probably the least sentimental person I know, in terms of sentiment, that is attachment. I tend to have a philosophy as it were, that almost makes a fetish of non attachment emotionally. That is I've always driven for example a ratty old car and kicked it and said god how stupid you are to identify with your two bit little motor vehicle and at the same time I do occasionally discover that I do have some sentiment, which I look at with a kind of interesting curiosity in myself when it arises. But it's never got any great strength or pull to it that sentiment. It's not like as if it's a subterranean layer in me that's going to, I'm quite happy to welcome it if it's there. So I don't feel the slightest obligation to see this land continue as organically farmed or whatever. It does have some, I mean it's nice that it happened to the land. I do feel on a very minor level that it's a shame perhaps if somebody came along and sprayed junk all over it if I did come to sell, but I don't think I would go to any great effort to ensure that the home went to a good home or anything like that. But I do imagine at some point in time it will be sold. I don't see myself living here ad infinitum.

I suggested to James that he was a rarity in that most people feel quite strong attachment to possessions which can cause much conflict within families to which he responded:

James: Yes I tend to see, I mean even, I would see that symbolic attachment as essentially similar to a symbolic attachment to a flag or to a religion and as a source of war and ethnic conflict and god knows whatever else.

I asked James if his mother had talked to him much about inheritance.

James: She didn't talk about it a lot because she knew what response it would get from me. For example she talked about it more to Jenny who I'd met some six, eight, nine months before she died. For example she said to her that this woman with whom I'd had a child mustn't get any of this house. She talked much more openly and at more length to Jenny than she did to me because I wasn't interested.

Ann: What about the child? Did she want the child to have anything?

James: She absolutely didn't want the child to have anything because she didn't want the mother to have anything because my mother tended to have a relationship with people where she would be all over them and then hate them with the deepest resentment that one could possibly have and that was a pattern that she often got into.

Despite Ruth's apparent attempts to use inheritance as a way of controlling people and possibly controlling their emotions, it was curious that Ruth's will was made only a few weeks before she died. James had thought that she had previously made a will but during her illness no will was located in the house.

James: The way the situation was up till a few weeks before her death was in fact, as it turned out, there weren't any documents relating to the house in the house, nor was there a will, nor was there any kind of legal documents at all, despite the fact that the entire house was covered in clippings of inorganic articles or any number of

unimportant things that she had written at one time or another, but amongst this vast mass of paper there was not (laughter) one legal document at all.

Ann: But had she lodged a will with her lawyer or something like that?

James: Oh quite possibly, it is entirely possible that there was a will drifting around at some point. I'm quite sure she did make one, she said she did and I saw no reason to doubt it, maybe about three or four years earlier, that was exactly the same. I did come across in her papers some communication with a place, apropos of trying to make it into a trust whatever and then another bit of paper that had to do with trying to establish whether she could tie a string on it, to it, in respect to me and that was dated way back. And she told me what she was doing. She told me what it had been and what who'd now made it and that would be once every three or four months she would sort of start a conversation and for, within the first year when I came back she would bring it up once every three or four months.

James commented that his mother's will was challenged and asked me whether I was aware of that, which I wasn't.

James: Yes, this was from the woman whose child ... on behalf of my daughter, right? I have only one child to a relationship that didn't last, didn't have much duration. Mother had some contact with the mother and then there was no contact. She challenged the will on all kinds of grounds that seemed to have, from what I studied, absolutely no legal precedence or relevance whatsoever. She in fact won which really surprised me enormously. There were two long affidavits filed in court ...

Ann: She challenged the will and won?

James: Indeed she won, and there seemed to be about half a dozen grounds for challenging a will of this nature and as far as I could see she didn't fit any of them.

Ann: Well how come if she challenged it and won that you're still here?

James: Oh I only had to pay \$25,000 or \$20,000 or whatever it was. She only challenged for some money, yes and she won. Yes it's a shame yes, I would have liked to have retained a friendship with this particular woman and had some contact with the child, but at the moment there's an atmosphere of yuck associated with the whole thing. I don't tend to develop intense hatreds for people (laughter) or anything like that and I go to great lengths to be fair and reasonable and decent and maintain relationships and all that sort of stuff (laughter) but this, ah yes this woman very much cut me. Um and then this came along which made it, and I sort of managed after a couple of years to go and sight the child and just drop in and establish some friendliness and then that was blown out of the water by this particular business and whatever. So I don't see my daughter now which is a shame.

Interview 7: Craig Hall

Charles Hall died in June, 1989 at the age of 68. He was a retired warehouseman and a widower. He was survived by his only child Craig Hall the subject of this interview. In discussing the concept of special monies in Chapter 8 reference was made to this interview.

Charles was born in Wellington, the son of a commercial traveller. At the time of his death he lived in a working class suburb of Christchurch, in a house he had bought in 1952. The house was only ever registered in Charles' name, so when his wife died in 1980 no transmission arrangements were required. The 1989 government valuation on the house was \$73,000. At Charles' death his entire estate, including the house, was transmitted to Craig. Craig was also the executor of his father's will which was dated only 6 months before Charles' death.

Craig Hall is an only child. He was 37 years old when I interviewed him. He has never married although he has a 'girlfriend' who lives in a small town some 150 kilometres distant from Christchurch. Craig owns a house in this town which he bought in 1987. Craig works in Christchurch and travels to his other house every weekend, a routine he has kept up more or less constantly for the last six years. He is in the process of renovating the inherited Christchurch house so his life in Christchurch during the week revolves around work in the day and then handyman work at night on the house. At the time of the interview Craig was uncertain of his future plans but spoke of selling the Christchurch house and living permanently in his other house. Craig described his present occupation as working with machines, building moulds and designing things. He also spoke about reaching a stage in his life when he wanted a change.

Craig: You know I lived in Australia for four years before my mother died and I only came back from Australia because my mother was quite sick and I was quite pleased to come back to New Zealand but I sort of proved myself then and I sort of feel the same way now that I've got to get, just get shot of all this. Every weekend I go down there. I use this place to go to work and come home and sleep and eat.

But I think I really need to have a bit more responsibility as well you know because I've probably never had that.

The picture Craig painted of his parents was of a traditional working class couple who had very little in financial assets. He commented on a number of occasions that his parents hadn't had much money. He spoke about his parents as follows:

Craig: My mother died in 1980 and she didn't have a will so I guess, and she didn't have, she'd been a housewife all her life and worked in various part-time jobs where she earned very little and Dad had always worked at the same company for 30 odd years and they had very little money really. You know when my father died all he had was the house and around \$15,000 in cash...

Unlike a number of the other interviews which explicitly discussed the conflict among family members over inheritance, this simply does not arise in the case of an only child.

Craig: I can understand how there is conflict in families but no, it was quite straightforward really. I mean my father showed me his will a number of years before he died and he just left the house and everything to me.

The comment is interesting given that the date of Charles's will was six months before he died and his wishes obviously had not changed in the interim. There may have been other changes however, to do with executors or other details.

Although an only child does not have to face the problem of conflict with siblings over the will there are still 'problems' involved with being an only child. It might be that being an only child is an extra 'burden' because the only child has to take the full responsibility for fulfilling the parents' wishes and keeping intact the family's treasures and memories. While Craig said his father didn't talk much about the inheritance there is a very strong sense that Craig was trying to fulfil the wishes his mother had expressed when she was alive about plans for improving the house. There is also the question for Craig about letting go or not letting go of the house. As Craig commented, it was the house he had lived in for his entire childhood and teenage years and the

location which provided the backdrop for the family life of all three people involved. The seriousness with which Craig still took his responsibilities to his deceased parents is reflected in the fact that he could not bring himself to spend the cash he inherited from the estate on other possible projects but instead, used it to refurbish the Christchurch house.

Craig: Well the impact it had was that I was determined to spend the cash that Dad had left on repairing the house, repairing this house because this has been my home all my life, this is the only home I've ever known. So my mother always wanted things done and my father, I mean they never had a lot of money coming in so my father would always say, oh you know we'll let it go and let it go and ah I spent that money first on the outside fixing it and then on the inside. ... I spent \$16,000. I knocked a couple of walls out and I painted, the whole house badly needed painting because he hadn't painted for ten years and I mean I have probably been living here for five or six years of that and hadn't done anything myself because I was always busy out doing other things. And when he died I really started to turn around and put a lot of time into repairing the house because I suddenly realised I didn't want to sell it the way it was. I preferred to put that money into fixing the house and instead of just blowing it on like a vehicle or something that would have no value in the end. So I spent all his money on getting the house to this stage.

Ann: And it looks as though it's up to the stage now when you've just got the decorating to do

Craig: Fixing the carpet, yes

Ann: So all the structural and hard work's been done?

Craig: Yes I just didn't want to turn around and just sell the house and say that's it.

Ann: Are you going to sell the house now?

Craig: I may do yes, but it's going to be very hard to. But the thing is that this other house that I bought six years ago is really, when I bought that house I started doing that up because I think, I really, he wouldn't let me do anything here you see because he would always say, oh well I'm retired and you're busy working and you want to have your weekends free so I'll get around to it, I'll get around to it. And you know he never really did because he was never that way inclined anyway and he never had the money to pay for it so, and of course I was always busy racing around the countryside and that. But when I got my own house, I think of the other house I've got as mine rather than this. And of course after he died, I couldn't really, the place was so different, but when I started changing it around a bit it became more like my place.

I asked Craig if his father talked to him much about inheritance

Craig: No, he didn't really, he just said in later years you see he never, his main interest was gardening and bowls and he just, he said to other people, oh Craig can do whatever he likes with the place when I'm gone you know. He can build another place down the back and sell that off and this and that.

Ann: So you've got a big section?

Craig: Oh yes, it's 908 square metres or something.

Ann: Would there be enough room to build another place on?

Craig: Oh there would be yes, but I think he just heard somewhere that it was going on at that stage, like it is now sort of, everyone is doing that. It didn't bother me that much you know. I was, I've always had a job, a reasonable paying job and I sort of accumulated a bit of money myself and six years ago I bought my other house and it didn't bother me that much you know. I was making a life for myself anyway so.

Craig's response to the question of the impact of inheritance on his life on him was in financial terms. He replied that the inheritance had not had an impact financially because he had not sold the house and therefore realised the money. He did not consider the impact of the house in the sense of tying him to a certain place and a certain project, the refurbishment of the house, for a number of years.

Craig: It probably hasn't really had a big impact financially I mean. I guess if I went down there I could have probably, if I sold this house I would probably use the money off the interest to be able to live and be able to look for a job. Get into something you know.

Craig had little trouble differentiating between types of money. As a way of tapping into the concept of special monies I posed to my respondents an alternative scenario question, most often phrased in terms of asking the respondent how they would have used the money if they had won a similar amount in Lotto. Some respondents answered they would probably have done the same thing with the money but Craig clearly differentiated between the two monies on the grounds that his inheritance represented the lives of his parents. Craig also stated that he did not regard the money as his.

Craig: Well definitely if I won a lottery or something it would've been different. I would've felt guilty if I, that money, I mean they spent all their lives working for that and that was all they had, so I felt um, that I would put it back into this house for some reason, you know. In those first two or three years you have really, looking back now, I probably didn't know what I was doing sometimes you know, it was just sort of went ahead because I wasn't really, in my case you see I was, I didn't know how much to spend and that but I just carried on and somehow I just, you know it all went, and I have probably and as soon as that I stopped spending money so, because I didn't class it as my money, you see.

For an unmarried person who has no parents or sibling the question of writing a will and deciding who to select as heirs is a problem. The problem has been well documented in the anthropological literature where it is referred to as strategies of heirship. Goody (1973) for example has shown that when societies allow for choice of

heirs from a 'lateral direction' there is little need for strategies of heirship. For societies however that endorse vertical inheritance, or the selection of an heir in the next, succeeding generation, the problem is more complex. This is made so by the organisation of many traditional societies in which security in old age is the responsibility of the heir, most ususally the male heir. The point Goody makes in discussing the issue 'the use of different strategies of heirship according to particular forms of social and economic organisation. I believe that the concept of 'strategies of heirship' as employed by Goody can be used equally well in sociology as in anthropology. In this context it illustrates not only the dilemmas faced by people in Craig's circumstances who have no 'natural heirs', and also highlights the 'normal' strategy employed (vertical inheritance) and the possibilities outside of these (patterns of lateral inheritance). In Craig's own words writing a will was 'a problem'.

Ann: Have you got a will?

Craig: No I haven't. In the last year I've been thinking about it, but you see it's a problem.

Ann: So if you were making out a will who do you think you'd make it out to?

Craig: Well it's hard to say but I think I would probably say that everything would just have to be sold up and I would probably leave half the money to my girlfriend and the rest I would probably leave half of that half to my father's sister and the other half to my cousin which is her daughter, so I mean they are the closest relatives I've got.

Ann: And are they close to you in terms of relationship?

Craig: Reasonably. They are my closest blood relations but they, I'm also quite close to them, but they probably go out of their way to see me more than I see them.

Craig talked further about the idea of making his will and again the notion of the value of a person's life being symbolised by the value of the estate underpinned his thinking on the question.

Craig: But I think, I mean I'm going to have to make a will fairly soon and just leave it to my father's sister and her daughter and I wouldn't leave her daughter too much because she just goes out and blows money left, right and centre. (laughter) I mean it was both my parents money and that is, I mean they'd spent their whole life getting there. They weren't wealthy people so you know ...

It is often difficult to talk about inheritance without acknowledging the self evident fact that inheritance does not occur unless a death has taken place. The connection was constantly brought up in the interviews and comments were often made such as the following comment by Craig that indicated he would rather have his parents alive than the inheritance. While the comment might appear superficially banal these are the words that are almost always used to express this deeply felt sentiment.

Craig: I mean I would rather have them alive than have this house you know. I mean basically now all I've got is a house which I mean I could go and live in my own house anyway.

In Craig's case the association between the house, the memories of his parents and his contemplation of their lives was such that he was unable to consider using the cash he inherited for any purpose other than repairing the house. Furthermore, his ties to the house were so binding that he felt unable to sell it until he had renovated it to a standard he felt his mother would have liked had she been alive. The intense attachment to the house and the financial, emotional and time investment in renovation has to be seen alongside Craig's desire to sell the inherited house, leave the city and live with his 'girlfriend'. At the same time Craig conveyed the impression that finishing and selling the house was tantamount to completing a chapter of his life and without a proper completion the next chapter could not be embarked upon. It appeared that for Craig the final step was ensuring that the house was fully carpeted. It was almost as though this had to be done as a tribute to his mother's memory.:

Ann: Before you inherited were you aware that you'd inherit everything?

Craig: I never really thought about it too much. You know I never thought, right, I never sat and looked at Dad and thought is he going to disappear this week or next week, I'm dying to knock the walls

out and pull the house down and things. No, I didn't really think about it much. On the odd occasion people have said to me oh, you'll be right when dad dies you'll get the house and everything like that and I just said I'd just rather have him alive ... It was quite strange. I've looked through photographs and things like that and just realising how, I mean I can look at photographs and actually just see when he was 25, 35 and 45 and now he's dead and so life's really quite short. And then you look around and see what people accumulate in that short time, it's just what they work for and what they have and he was quite happy to give me a good upbringing and I mean I was really well looked after. I was probably spoilt rotten but we didn't have a lot of money to do outrageous things but he was quite happy to plod along through life and when he died I had to look back over his whole life and think well this is what's left and it's quite sacred you know. I just didn't want that money. I just sort of spent it on the house because it would enhance the value and probably if I didn't do that then I probably would have bought something and I would have felt guilty about it. But I suppose everyone is different. I mean some people just go crazy and spend it all

(...)

Craig: My mother always said I'll never see carpet in this place you know because it was quite a big thing to get the whole thing all this carpet everywhere and, I mean having the house and getting the mortgage paid off was the important thing. See Mum never worked really much, not till her later years and then she kept the money and bought things, but she bought things for the house, but she also spent money on herself ... My girlfriend keeps saying to me when are you going to come and live down here, not so much live with her but probably that's the next step, and I keep thinking to myself, I said I want to finish this place a bit more you know I keep putting it

off, but I think probably I want to put the carpet down. (laughter) I mean I probably could have sold the place four years ago and if I invested the money for four years I probably would have ended up with the same as what I would now if I poured another \$30,000 into it ...

Ann: So are you going to paper and put the carpet down and then sell the house?

Craig: Yes, I think maybe it will feel right to. Strange but maybe that's what, I think perhaps that's what I'm going to do.

In discussing attitudes towards home Craig used the rhetoric that it was the person who counted not the home: another version of 'home is where the heart is'. As his actions have demonstrated however, circumstances in individual lives are more complex than those captured by the maxim and certainly those words do not capture the depth of emotion that can be felt by the living towards the dead.

Craig: I noticed when my girlfriend, when they sold the mother's house, all the three children were brought up in there and that was their only house ... so she was quite emotional when they had to sell this big house and buy a smaller house, but then that took a couple of weeks to get over that and then she was quite happy. And I said well it's the person in the house that makes the house and she said I'm going to miss going back to that house and saying well that's where I fell over and that's where I did this and that. But now she's quite happy to go to her mother's house because her mother is there and that's the person. But I was quite pleased I had the other house because I just used to escape every weekend and go down there and just get out of town and I was quite happy down there because it was, it took me about a year before I did anything. And then I started changing it slightly and then it sort of became my place you know...

Ann: Am I right in saying you couldn't have sold this house straight away?

Craig: Yes, I mean I've never analysed it but I think that's what's happened you know. Yes it may have been different if I was married and had a few kids and had a desperately high mortgage and the house was there and I would just have to get rid of it to help out financially or something, or if I had a big mortgage and a business or something that was going down the tubes. I don't know if I would still do that, because it's just something extra that you don't ever expect.

(...)

Craig: There was quite a lot of stuff that I threw out but mainly it was just old clothes and things and Dad sort of hoarded things a bit. But nothing, I haven't thrown anything of value out. And you know Mum had a lot of things like china and that and that's all just packed away.

Ann: Do you have it in mind that you'll use it at some later stage?

Craig: Yes I won't sell it.

Ann: Why not?

Craig: I can't. No I don't think I will because a lot of it, you know, she, I mean if she probably had a daughter she would have left the china and that and things to her daughter. She used to enjoy buying it and things and I like it too, so I'll keep it you know. If I keep this house I'll get the china out again and put it all in there.

Ann: Those things are important in our lives aren't they?

Craig: Yes I couldn't get rid of them, for lots of reasons because I just remember her showing them to me and buying, when she bought certain pieces back when I was really young so and she got a lot of enjoyment out of it so, yes.

Ann: It's interesting because mothers and daughters often have conversations like you'll get my engagement ring and things like that. What's it like being an only son? Did your mother ever talk like that?

Craig: No she didn't, no she didn't really. She showed me various bits of jewellery like rings and that and she did tell me where they came from but I can't remember now see whereas probably a daughter might remember that more and think if I had a child I'll give her that. ... Like my girlfriend was looking at things and said oh that must be an engagement ring and that must be something else you know.

Ann: Yes and she probably had an idea about how old they were and who they would have belonged to

Craig: Yes and if Dad had an old Rolls Royce out in the garage I probably would have been more interested in that.

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